2. LITERATURE REVIEW

2.1 Visual Merchandising

Visual merchandising or visual display is communicating the product retailers’ wants to sell by effective presentation of the same which creates an impact on the customers in terms of their purchase and builds a positive image of store in customer’s mind. It is science of shopping that tells one ways to use those tools, ways to design signs that consumers will actually read and ways to make sure each message is in the appropriate place. It also tells one how to arrange display that consumer can locate comfortably and easily, so that they can reach every part of the store easily (Underhill, 2009). “Visual merchandising is everything that customer sees both exterior and interior, that creates a positive image of the business and results in attention, interest, desire and action on the part of the customers (Passewitz, et al, 1991). Artistic role plays a major role in creating an ambience which will in turn motivate customers for shopping (Diamond and Diamond, 2007). This may be the impact of various goods and services sold by the retailer which increases importance of retail in marketing (Davies, et al, 2003, Passewitz, et al, 1991). “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” (Frings, 1999). It also highlights various criteria one must include regarding store set up which are eye-catching and also shows diverse merchandise (Garvey, 2010). The message is clearly conveyed to customers by effective signage and certain other significant aspects of products arrangement. Merchandise are introduced in style with proper colour combination by visual merchandising (Storms, 2006) which is very important for apparel shopping (Iqbal, et al, 2011). Shopping is a recreational activity and selecting store is perceived to be high on the values like pleasure, relaxation and entertainment (Woodside et al, 1992). Product display moderately influence store choice decision (Gajanayake et al, 2011, Wanninayake and Randiwela, 2007, Abratt and Goodey, 1990). Visual merchandising is very important in retailing as about 60 to 75% of the information collected about the environment is done with the help of eyes (Tullman & Clark, 2004, Passewitz, et al, 1991).

Visual merchandising is defined as “the presentation of a store/brand and its merchandise in a manner that will attract customers and motivates them to purchase through the teamwork of the store’s advertising, display, special events, fashion coordination, and merchandising departments in
In order to sell the goods and services offered by the store/company” (Mills, et al, 1995, Diamond and Diamond, 2007). Retailers or organization tries to create and develop the image with the help of visual merchandising/visual presentation which appeals customers and transforms it in buying behavior and loyalty towards the retail outlet. This can be done by planning the merchandise that are to be featured and location at which they are supposed to be placed (Diamond and Diamond, 2007).

Visual communications that are exposed to the customers in the retail outlet affects more than 80% to sensory organs and hence it is an efficient and inexpensive way of marketing than other means of communications (Tullman & Clark, 2004). In modern retail, visual merchandising is a key to encourage a customer to purchase the products. This idea has always triggered purchase decision as an oldest merchandising strategy (Gopal, 2006). Retailers gradually realized that selling the product was not only important but the customers should also have satisfaction and convenience of shopping experience. One has to sell the product by selling the ambience too. Visual merchandising lures customers for shopping products with help of product display and shop’s ambience (Iqbal et al, 2011).

Stimulus in retailing includes space related, product related and people related aspects (Quartier, et al, 2008). The main focus of visual merchandising is space related aspect which includes visual stimulus. Space related category is divided again into three parts functional, aesthetical and atmospheric aspect. Atmospheric cues consist of ambience, design and social factors (Baker, 1986). Consumers are attracted to these entire stimuli which are processed and a perception for the store is developed by consumer in mind about that store. Visual stimulus impacts the most when it comes to perception building. When a consumer is exposed to these stimuli, they feel an irresistible urge to buy the product (Rook and Hoch, 1985). Visual merchandising involves store window, store directories, in posters, unit top poster / visual, placement of products, highlighting products in the store. The use of visual merchandising skills is to present the merchandise at its best, in order to appeal to the customer. Good visual merchandising also becomes a factor of differentiation. Visual merchandising is critical in store activity with the visual merchandising team deciding on the theme as well as the manner in which the merchandise is proposed to be displayed across the stores nationwide. The whole point of visual merchandising is to help companies to communicate the brand message, so that consumers can make better informed choices.
A good visual merchandising and store planning will play an important part in molding consumer’s behavior towards store. The importance of visual merchandising is to provide right product available to the right customers and at the right time (Gopal, 2006). Most of the buying decisions even the big decisions are made in the store itself and very few of them are made outside the store (Underhill, 2009). Hence, maintaining a store presentation of desirable products that are clean, orderly, easy to find, and easy to buy will provide a great service to the people looking for something special. “The longer a shopper remains in the store the more he or she will buy. And the amount of time the shopper will spend in the store depends on how comfortable or enjoyable the experience is” (Underhill, 2009). Hence, it is important that the visual stimulus and ambience is soothing so that customer remains in the store for longer time. The more the customer stays in the store/mall and longer they browse through the store, they will come across more stimuli which in turn will increase their buying behavior.

**Figure 4: Store Environment Perspective**

![Store Environment Perspective](Quartier, et al, 2008)

Good in-store signage is the important final element of store presentation and promotions. Signages, shelf position, display space and special fixtures all of these will make it more or less likely that a shopper will buy a particular product (Underhill, 2009). Accurate or proper display itself becomes a way of marketing or advertising for the retailer. This will also create a positive word of mouth for the retailer. Category signage that helps to guide the customer through your store is essential. In addition, creating a professional looking graphics package that displays price and
features and benefits messages clearly communicates the value of your offer. Effective sign in a window or inside a doorway is one which has two or three words that customers can read in an instant (Underhill, 2009).

There is a lot of competition in each and every industry. Competition in the retail industry is also increasing these days because of the entry of many private labels and international players. Hence retailers need to differentiate their store on the basis of product, place, people, price and promotion. Most retailers do their store displays on the belief that it will generate some boost in sales as the merchandise is creatively presented (Diamond and Diamond, 2007). And even when shoppers are surveyed, they’re never clear on whether or how much the display influenced their purchase (Kaufman, 2011). In store cues, visual stimulation and communication has always been considered as important factor in consumer decision making process and customer satisfaction of retailing by practitioners and academics alike (McGoldrick, 1990, McGoldrick, 2002). Though being of much importance, visual merchandising has received little attention in the academic literature (Lea-Greenwood, 1998, Davies, et al, 2003). Visual merchandising is an important component in maintaining the ambience and customer satisfaction. It includes both interior and exterior of the store. Both of them are equally important to enhance store image (Madan and Verma, 2011, Agnihotri and Oburai, 2011). To create a good visual merchandising and positive shopping experience visual merchandisers consider four broad dimensions: store front, store layout, store interior and interior display (Schneider, et al, 2009). There are three types of interior display: Merchandising display, Point-of-sales display and Architectural display. In store cues include floor display, lighting, music, space design, directional signage, fixtures and hardware, props and decorative and mannequins (Omar, 1999). These in-store cues influence customer’s perception for store (Milliman, 1982, Bellizzi et al, 1983, Eroglu and Machleit, 1990, Grewal et al, 2003). Pleasing in-store atmosphere provides hedonic utility and helps in buying more (Ailawadi and Keller, 2004). The emphasis has moved away from in-store product displays, towards elements that excite the senses of shoppers such as flat screen videos or graphics, music, smells, lighting and flooring that tend to capture the brand image or personality and help to create an unique environment and shopping experience (McGoldrick, 1990; Marsh, 1999). Music directly influences store patronage (Gajanayake et al, 2011). Though music is not a part of visual merchandising but it is an important
factor that enhances charm of visual merchandising. It produces perception and preferences strongly (Bruner, 1990). It also helps in slowing down the pace of customers in store (Milliman, 1982).

Good exterior invites customers; develops interest and attention (Passewitz, et al, 1991). It is a silent sales person and within 10 seconds good sign draws attention. Almost 75% of the customers remember store entrance as it generates first impression (Passewitz, et al, 1991). The store exterior includes signs or logos, banners, exterior design, window display, retail premises and façade. Visual merchandisers understood the importance of window display long time ago and hence, they were known as window trimmers (Gopal, 2006). Window display is a medium which creates first impression in customer’s mind to enter the store and promotes the idea of store image (Passewitz, et al, 1991). It draws the customers passing by, inside the store. A well designed and attractive window display will catch customer’s attention and force them to get inside (Bakarne, 2008). Customers lose interest if same window display is kept for long time (Passewitz, et al, 1991). If we assume that a shopper comes every two weeks, then the windows and displays need to be changed that often, so they’ll always find it fresh and interesting (Underhill, 2009). It is also important to change window display regularly for positive store image. New style and trend information is important in terms of window/merchandise display (Seock, 2013). Window display should create a mood, display the theme and lifestyle that the store merchandise aims. Hence, it is one of the important dimensions of visual merchandising (Baum, 1897). Physical attractiveness of the store affects highly to the customers in their store selection (Darden et al., 1983), as it is the exterior attractiveness stimuli which influences customers to enter the store (Jiyeon, 2003). It has frequently been suggested that “good” interior design within a store can maintain customer interest, encourage customers to lower their psychological defenses and make a purchase (Kotler, 1974; Walters and White, 1987; Bitner, 1992; Omar, 1999; Davies and Ward, 2002).

The main reason for store interior is to develop desire for the merchandise, present available merchandise and enhance impulse purchase (Passewitz, et al 1991). The physical in store environment has been examined in relation to various elements, for example: orienting factors (Davies and Ward, 2002); signage (Passewitz, et al, 1991, Bitner, 1992); props (Dua and Karolia, 2008, Passewitz, et al, 1991), spatial factors and ambient conditions (Davies and Ward, 2002), which Kotler termed “atmospherics”. Store atmospherics is one of the important criteria to predict consumer behavior and helps in increasing sales effectively by product positioning (Dholakia, 2000)
and also for store choice (Reutterer and Teller, 2009, Mitchell and Oppewal, 2009). Props are kept along with the product to show function of merchandise sold. There are two types of props, merchandising and non-merchandising. Merchandising props are related to the merchandise sold and non-merchandising props are not related to the merchandise sold like pen, pencil, shopping bags, lamp post etc. The key facets within merchandising display are identified within the literature, which makes customer comfortable and creates a shopping experience, as: Layout, (Levy and Weitz, 1996, Berman and Evans, 1995, Wanninayake and Randiwela, 2007), fixturing (Levy and Weitz, 1996, Donnellan, 1996, Passewitz, et al, 1991), merchandise (Davies and Ward, 2002), presentation techniques (Buchanan et al., 1999), colour (Koelemeijer and Oppewal, 1999, Gajanayake et al, 2011, Passewitz, et al, 1991), light (Gajanayake, 2011, Wanninayake and Randiwela, 2007, Passewitz, et al, 1991), mannequin (Davies et al, 2003), packaging (Bruce and Cooper, 1997, Da Costa, 1995) and hygiene (Gajanayake et al, 2011, Wanninayake and Randiwela, 2007). Mannequin helps to fetch positive response and approval as one can see the design and entire outfit and can also empathize how the apparel will look like on them. Hence, mannequin industry also plays a major role in visual merchandising (Clark, 2007). Wooden fixtures are also thought of showing quality (Davies et al, 2003).

This in-store cue affects impulse buying behavior of the customers (Jiyeon, 2003). “Store layout refers to ways that stores use its space to facilitate and promote sales and serve customers” (Schneider, et al, 2009). Store layout includes: selling space, storage space, personnel space and customer space. Signages are cost effective and efficient tool to pass on the message retailers want to the customer (Iqbal et al, 2011). It help customers locate specific product in the store and gives information related to it. In-store display also includes floor display which includes focal point, nesting, gondolas, island display, high point, etc. It is also said that apparels displayed on racks seems uncluttered and neat arrangement compared to apparels which are on hangers (Berman and Evans, 1995, Donnellan, 1996, Davies and Tilley, 2004). But, the consumers at times feel that such display were unattractive and disorganized (Levy and Weitz, 1996). This is also integral part of visual merchandising which affects the impulse buying behavior of the customers (Jiyeon, 2003). The work regarding physicality of in-store environment focuses on the “communication” of elements through cues and stimuli that the consumer digests through a number of sensory modalities (visual, aural, olfactory, haptic and taste).
The whole point of visual merchandising is to help companies to communicate the brand message, so that consumers can make better informed choices. Consumers increasingly shop by what attracts their eye, whether it is perfume, a sandwich, electronic gadgets or chocolates. Consumer expectation regarding in-store design have increased (Buchanan et al., 1999) and there is also a heightened desire for shopping excitement, which can in part be delivered through innovative design of the physical environment (Erlick, 1993, Levy and Weitz, 1996). Therefore, all literature commonly recognized as in-store environment depends on visual merchandising and other in store promotions. This interest in the visual has – at one level within the retail context – coalesced to from the practices of “visual merchandising”. This is defined as the activity, which coordinates effective merchandising selection with effective merchandising display (Walters and White, 1987). Visual merchandising is therefore concerned with both how the product and/or brand are visually communicated to the customer and also whether this message is decoded “appropriately”. Brands have long understood the importance of point-of-purchase merchandising. Brands must compete for shelf-space and square footage, and then must try to dominate the sections of the stores, allotted to them (Kaufman, 2011). In this context, it will be affecting to a positive psychological or behavioral outcome, ultimately leading to purchase. To sum up, visual merchandising helps in maintaining overall image of the retail store in the mind of customer (Park et al, 1986).

In a study of store choice behavior among audio equipment shoppers, (Dash et al, 1976) found that the level of pre-purchase information regarding the brand determined the type of store chosen. Shoppers who had higher levels of pre-purchase information generally shopped at the specialty store, whereas shoppers with low pre-purchase information bought at departmental stores. This is mainly attributed to customers adopting a risk reduction policy with regard to their impending purchase (Kenhove et al, 1999) found that store choice is differentiated by the nature of the task. This study of store choice decision across various tasks are described by the respondents, such as urgent purchase, large quantities, difficult job, regular purchase and get ideas. The chosen stores differed in their salience rating depending on the task the shopper intended to perform. The salience of the stores has also been found to be affected by situational factors.

Visual merchandising includes various aspects of consumer such as sensory pleasure, affective pleasure and cognitive pleasure (Fiore, et al, 2002). In a study conducted by (Mattson, 1982) it was found that situational attributes, such as time pressure and gift-versus self-shopping,
can influence store choice and attribute salience. It is also indicated that the situational influence needs to be evaluated for every visit and hence, some shoppers may change their choice because of situation specific drivers. These situational influences may be classified as the competitive setting, the individual’s situational set and the shopping occasion. The affective pleasure or emotional aspects affects the behavior or situational attributes of the consumer. Emotional and behavioral factors are hard to separate and influence another.

The atmosphere of the shopping environment can influence customer attitudes and their perceptions in relation to the overall quality of the store in terms of the uniqueness of the product, service levels (Baker, et al, 1994), the purchase price (Areni and Kim, 1993) and purchase volume (Milliman, 1982). According to the retail shoppability research (Sujan, et al, 1986) 45% of the reasons consumers mention for being stressed, relate to the in-store environment (can’t find desired products, long lines, messy shelves, pushy or slow personnel, parking), while 32% are choice-related (too many brands, deciding which brand is best, comparing information across brands, having enough product information). The role of ambience in store choice has also been found significant. (Kotler, 1974) has proposed atmospherics as an important part of retail marketing strategy. It is also found that the shoppers determine the value of the merchandise based on monetary as well as non-monetary costs (Zeithaml, 1988). It was found that recreation (a non-monetary value) was the major driver for visiting a regional shopping centre (Treblanche, 1999). The shopping experience, as created by the store environment, has been found to play an important role in building store patronage. Along with the merchandise, it triggered affective reaction among shoppers (Baker et al., 1992). It also contributes to creating store patronage intentions (Baker et al., 2002). Consumers under stress will make planned or nondiscretionary purchase, however they won’t spend as much time or money on unplanned purchases (Donovan, et al, 1982).

According to above research studies, some researchers have argued that in-store environment is critical component of store choice behavior and some other researchers have argued that other variables are most important than in-store environment. However, the previous research studies are providing evidence to store choice behavior is different in different cultures. Now, need to understand and study is, does visual merchandising has influence on consumer behavior.
Furniture plays a very important role in life of most of the people. It satisfies the social needs of the people. House of a person, reflects the lifestyle, value and social status of an individual. Hence, shopping for furniture is also of most important. So retailers must try to attract the consumers to the store. Retailer must facilitate the consumer that caters them with their needs and wants like a market place. Retailers of home furniture are fueling to the rise of competitive market through individual’s lifestyle adaptation. In fact consumers are also becoming style and lifestyle conscious in terms of their home furniture and furnishing both. Looking at the significant growth in the furniture industry, it is very important to create good visual merchandising and atmospherics. Visual merchandising and environment plays an important role in influencing store patronage. Store retailer must develop effective strategy to gain a competitive advantage. Furniture patronage is the extent to which a consumer shops at the furniture shop, the possibility of shopping in the store next time and also the will to suggest it to others. It is important to study the perceptions of the consumers in terms of furniture merchandising, as there is limited research that has been done in the area.

Convenience of shopping, physical facilities (French, et al, 1972) or attributes, etc may influence buying decision of consumers. Environmental dimensions such as air quality, lighting, layout, carpeting, etc are also important (Engel, et al, 1995). Price, quality of merchandise, assortment, atmosphere, location, parking facility and sales people are important dimensions for a store (Bearden, 1978). Layout as a dimension of visual merchandising is important. It consists of space utilization, aisle planning and area arrangement (Banot and Wandelbori, 2012). Apart from the above dimensions, another dimension that is important for furniture visual merchandising is creative/inspirational coordination (Seock, 2013). Merchandise assortment and price signage in terms of visual merchandising of furniture store is important as the products are higher priced (Seock, 2013).

In terms of visual merchandising of electronics products, there are certain dimensions that are different from apparels and furniture products. The products like air conditioner, television (LCDs and LEDs) are displayed on wall, which is known as wall-mount display (Soneira, 2009). These products are put up on the wall to display so that it catches eyes of customers. Certain products of electronics are displayed on the shelf display (Kaufman, 2011). Centre racks and floor display are also important in terms of electronics products (Bhalla and Anurag, 2010). For
electronics products impulse purchase is strong if consumer’s experience of the product in the store is good (Backstrom and Johansson, 2006). For the products like television (plasma, LCDs and LEDs), music players, refrigerators etc, experience of customers works better for purchase.

2.2 Consumer Behavior

Consumer behavior is long been a study of interest for the researchers. For researchers, understanding and knowing the consumer behavior was never an easy task. The work done in this subject earlier came from economic perspective which focused only on act of purchase (Loudon and Della, 1993). Consumers are viewed as rational decision makers who are only concerned with self interest (Schiffman and Kanuk, 2007). 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 (Blackwell, et al, 2001). 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” (Solomon, et al, 2006). 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” (Schiffman and Kanuk, 2007). Needs may be functional or psychological in nature.

Consumers do not always buy what they want. There are certain unconscious needs. Hence, there is always a customer who buys something that they do not necessarily need (Graves, 2010). This means that understanding consumer behavior and knowing them was and will never 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 sociocultural environment, internal factors like psychological field (Schiffman and Kanuk, 2007). Consumer decision making
process is influenced by the consumer’s interaction and exposure to various exchange processes via these external and internal factors.

Buying decisions are also based on involvement level. In high involvement state, decision making is done according to entire process prescribed in its order right through information search to post purchase. While in the low involvement state consumers do not take much pain for information processing (Chung & Zhao, 2003). The products that are not purchased frequently are expensive, for which customers have to spend lot of time and put in lot of efforts are known as high involvement products…While, low involvement products are frequently purchased with minimum time and efforts (Fish, 2009, Tanner & Raymond, 2012). As the level of risk increases, a customer’s search for information also increases with more engagement. In the high involvement products level of post purchase dissonance is also high if the consumer is unsure about the purchase or confused between two alternatives. Hence, the involvement of consumer will also increase. The consumer then has to 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.

In marketing context consumer behavior is not only the act of purchase itself, but also behavior displayed while pre-purchase and post-purchase activities. Pre-purchase activities include need recognition, searching for information and evaluating the alternatives available. Post-purchase activities including evaluating the product, anxiety accompanied with purchase of expensive and frequently brought items. Both pre-purchase activities and post-purchase activities have impact on purchase and repeat purchase. Social, cultural, personal and psychological factors all have impact on the consumer buying behavior. Hence, both internal and external factors have impact on both pre-purchase and post-purchase activities of the consumer. Apart from social and cultural factors, marketing strategies implemented by the marketer also has impact on consumer behavior. In need recognition stage of pre-purchase activities, retailers try to satisfy psychological needs as much as functional need (Babin, 1994).

Need recognition is first step of decision making where consumers undertake a substantial amount of time and effort, however simplistic the processes are which requires minimal amount of time and effort. A need should be activated before it is recognized. In lines with this marketers are often accused of creating need for a product that would not exist had it not been part of marketing
activities. Consumers always have unconscious needs therefore the marketers try to make consumers want the product which they necessarily do not need (Graves, 2010). Consumer passes through the actual process of decision making when actual need arises. There are certain products that give the feeling of belonging to a society and impacts purchasing behavior (O’Cass, 2000).

Consumers constantly recognize their needs and problems and to fulfill the same they constantly look for the information internally and externally (Hawkins, et al, 2007). The external factors influencing information search of consumers are marketing activities taken up by the company. They are exposed to advertising incidentally or deliberately, depending on the motivation to search information (Solomon, et al, 2002). The internal factors are personal sources in which consumers can search for information from their family, friends, colleagues, etc.

Consumers in this phase have to put efforts to evaluate alternatives during the decision making phase (Solomon, et al, 2002). There are various dimensions of products based on which consumers make decision of purchasing it or not, like features, price, benefits, etc (Hawkins, et al, 2007). For decision making, based on the decision making rules for finalizing product they want to opt for from the previous options (Evans, et al, 1996).

The final stage of decision making process is post-purchase behavior. After purchase, consumers will evaluate what they have experienced during the process, satisfaction or dissonance, (Tan, 2010). If the experience is beyond their expectation, they would satisfy their selection and if not it will create dissonance. The consumer will then only buy the product that satisfies their desired benefits (Gabriel and Lang, 2006).

### 2.3 Impulse Buying Behavior

Impulse buying behavior is consumer’s experience which is sudden, powerful and persistent urge of buying something immediately which was not planned to be bought (Jeffrey and Hodge, 2007, Rook and Fisher, 1995). “Impulse buying has been considered as a pervasive and distinctive phenomenon in American lifestyle and has been receiving increasing attention from consumer researchers and theorists (Youn and Faber, 2000)”. Impulse buying behavior is the purchase that is made without much consideration of alternatives, with insufficient information about the product of interest, or prior intent of purchase (Tversky and Kahneman, 1981). Consumer decides to purchase
the product on the spur of moment, without any previous recognized need or problem (Piron, 1991). There is something that arouses an irresistible urge of buying the product. 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 (Rook, 1987).

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 (Rook, 1987). The person only focuses on relishing urge of purchasing product that they want to rather than fixing any problem or satisfying their prerequisite need. These needs are not economical, but are rather fun, fantasy, social and emotional satisfaction which is more important than negative consequences of impulse buying (Hausman, 2000). It is a pervasive and distinctive phenomenon and has been receiving increasing attention from consumer researchers and theorists (Youn and Faber, 2000). Certain past research has defined impulse buying behavior as irrational (Rook and Fisher, 1995) and lack of behavioral control (Solnick, et al, 1980). Pervasiveness of impulse buying behavior even on the relatively expensive products led researchers to study it (Rook, 1987). Researchers agree that impulse buying behavior involves a hedonic or affective component (Weun, et al, 1998). In the process of impulse buying the steps like need recognition, information search and evaluation of alternatives, of decision making process, are eliminated reclassifying impacting factors (Kim and Stoel, 2003). It starts when consumers comes across a product while browsing the store and becomes aware about it, this exposure to stimuli generates impulse buying. Impulse buying is unexpected and irresistible, hedonically complex purchase behavior in which speed of impulse purchase decision ceases any thoughtful, deliberate consideration of alternatives (Kacen, 2002). The purchase decision in case of impulse buying is so fast that it prevents any kind of thoughts and searching for alternatives. Recent study on impulse buying behavior suggest that it is more complex and this behavior is to satisfy multiple needs that underlie many types of buying behavior (Hausman, 2000).

There are two factors internal and external/environmental or sensory stimuli that serve as cues for triggering impulse buying behavior (Youn and Faber, 2000). Internal cues include personality of consumers (Weinberg and Gottwald, 1982), their state of mind, positive and negative feeling. Impulse buying is complex and may also generate emotional conflict. External/environmental or sensory stimuli include atmospheric cues in retail settings, display cues,
marketer-controlled cues and marketing mix stimuli (Youn and Faber, 2000). Apart from the environmental stimuli, there is other retail settings which also have an impact on the impulse buying behavior like product appearance and background music are important external influences on the customers (Dave, 2011, Kaur and Singh, 2007, Verplanken, et al, 2005). Innovative use of technology, creative messages and sales promotion has made impulse buying relevant in this era (Schiffman and Kanuk, 2010, Michael, et al, 2010). Retailers must understand these settings and environmental cues to enhance impulse buying. Researches from past shows that impulse buying behavior works across all the categories of product and enhances sales of it (Kollat & Willet, 1967, Bellenger, et al, 1978, Weinberg & Gottwald, 1982, Cobb & Hoyer, 1986, Han, et al, 1991, Rook & Fisher, 1995). There are three characteristics of impulse buying behavior, reactive component, affective component and cognitive component. Since, impulse is based on stimulus; it is a reactive component (Weinberg and Gottwald, 1982).

2.4 Perceptual Mapping

Perception is unique to each individual. Different individual may have their own view of brand description or associations based on their perception. These perceptions are the output of stimulus which is information input to any of the senses. Marketers constantly attempt to get through “sensory adaptation” of consumers. Perception is the meaning an individual adds or substracts to the information received through sensory organs. It consists of several elements and involves selection, organization and interpretation of stimuli. Application of perception is the development of unique ‘brand element’ which has a long term impact on the brand association. Association based on property helps in differentiation and provides unique image to the brand.

Perceptual map (Positioning) provides an idea about how consumers perceive brands, specific to relevant dimensions. According to (Fifield, 1998) market position of the brand refers to the unique (and differentiated) position that brand holds in the customers’ eyes. According to (Porter, 1990) to pursue a good strategy means to be different from the others by undertaking activities different from the competitors or undertaking similar activities in a different way. Namely, positioning is the process of designing image and value, so that the customers from target market segment(s) will understand (recognize) the company and its products compared to the competitor i.e. competitor’s products in a way as the company wants to be perceived. And, as (Fifield, 1998)
says, marketing is actually a battle of the brands for perceptions – marketing is not what the objective tests show what is best for the customers, but what customers believe is best for them. Brands are valuable intangible asset which helps company to perform; hence companies must differentiate their brand from that of the competitor. Perceptual map is a statistical technique which has been used from decades by the professionals or marketers to find out product or brand positioning in the mind of the consumers. According to (Shugan, 1987) multidimensional brand differentiation and multidimensional mapping, whether perceptual or not, has had many applications in the marketing literature. Perceptual maps are valuable tools for making strategic marketing decisions (Bezalel, 1983). Use per dollar multidimensional maps to formulate defensive strategies (Hauser and Shugan, 1983). According to (Mayer, 1992) perceptual maps are formed based on certain position occupied in consumer’s “perceptual space” by each brand within a set of competitive offerings. Perceptual mapping refers generally to techniques used to graphically represent this product space. It enables new brand to enter consumer mind and helps the existing brand to reposition itself in consumer mind. Perceptual map provides a competitive angle to the brand. To develop perceptual map various dimensions related to the brand are to be found out by primary information. Positioning that starts as an attempt by the brand to get into the psyche of the target segment should be nurtured in the long run to build a sustainable association.

In today’s world of cluttered communication, positioning in the market provides a mental angle with regard to competition. This mental angle is the competitive differentiation which marketers attempt to provide for their offering. As positioning is a well-accepted concept in marketing communication, repositioning does not seem to have been adequately explored. Positioning does undergo changes. Repositioning of brand is as important as formulating the original positioning strategy for it.

2.5 Sum Up

Researchers have found that it is very difficult to predict a consumer’s behavior. There are many external and internal factors impacting the consumer while purchasing a product wherein the product to be bought is already decided, a consumer passes through entire decision making process. But, there are many times consumer experiences impulse purchase i.e. an urge of buying the product which cannot be resisted. This is because while browsing the store, consumer comes across certain stimuli which lead to impulse buying. These stimuli are based on visual merchandising of the store.
Visual merchandising includes store interior, store exterior and atmosphere, which may have impact on the impulse purchase of consumers. In this study the impact of visual merchandising on the consumer behavior for selected product categories is found.

2.6 Research Gap
After reviewing almost all the literature available in the related area of visual merchandising following research gaps are found.

1) With respect to the Indian retail market especially the lifestyle stores and Indian consumer; there is hardly any research available on visual merchandising.

2) Lifestyle stores of Indian retail market require a lot of insight from visual merchandising but there is little research available on this.

3) Effect of visual merchandising on evaluation and purchase behavior of customers in Indian market is an important topic to study, but limited research done in this area.

4) There is no significant research done on different product categories like furniture, apparels and electronics.

5) Visual merchandising is an emerging concept in retail which requires huge thrust in the research.