Preface

In the prevalent retail environment where foreign direct investment is welcomed and online marketing is in hike, competition for retail outlets in any product category is increasing. Survival for them becomes difficult is such scenario. Hence, these retailers need to think on the strategy not only to survive in this competitive market but to grow as well. As the retailers have all the merchandise almost similar, visual merchandising is one strategy that can be utilized to differentiate the retail outlet from others. The purpose of this study is to find out relationship of visual merchandising on purchase behavior of customers.

Three product categories i.e. apparel, furniture and electronics, of retail were taken to study the impact of various dimensions of visual merchandising on purchase behavior of consumers. In order to accomplish the objectives of research, exploratory and descriptive studies were conducted at the retail outlets of these categories. For exploratory research, in-depth interview were conducted of marketing managers, store visual merchandisers and faculty of eminent college of design teaching visual merchandising. Here, the various aspects of visual merchandising were understood from experts of this field. Dimensions of visual merchandising in each category were also understood along with the importance and future growth of this technique in retail industry.

In the descriptive part of study, a set of three structured questionnaire was prepared for each product category based on literature review and exploratory study. Sample of 385 respondents was taken for this research consisting customers of store. The respondents were selected with non-probability purposive sampling method using mall intercept technique. For apparel stores that were studied include Ahmedabad Central, Pantaloon, Westside, Shoppers Stop and Brand Factory. For furniture stores that were studied are @ Home, Home Town, Housefull, Godrej Interio and Durian. While for electronics Sales India, Vijay Sales, Croma, NEXT and Reliance Digital are the retail outlets where study was undertaken. The dependent variable of this study was consumer’s impulse buying tendency in apparel category and purchase behavior in furniture and electronics. Responses were measured using a five-point Likert scale, which ranged from never=1 to frequently=5.

The independent variables for the study varies for three product categories, for apparel window display, in-store form/mannequin display, floor merchandising and promotional signage, for furniture they are window display, store front, merchandise display, store layout and organization,
creative style and trend co-ordination, signages/graphics and store environment, while for electronics window display, store front, merchandise display, store layout and organization, shelf display, floor merchandising, wall mount display, signages/graphics and store. These variables contain individual variables under each of them. The questions for the same were formed using a five point Likert scale, which ranged from never=1 to frequently=5. For window display there are five variable. While for in-store form/mannequin display the variables are two. For floor merchandising the variables are three and for promotional signage the variables are four.

From the analysis it is found that window display comes across as a very strong dimension of visual merchandising that impacts purchase behavior. Even the experts who were interviewed had the same opinion about window display. Mannequin display is also found to have impact impulse purchase behavior for apparel category. Store front also impacts purchase behavior for furniture and electronics products. For furniture, other than window display and store front, store layout and organization (shelf space) and Creative combination of colors impacts purchase behavior of customer. Perceptual mapping of all the retail outlets for different categories under study shows that customers have vivid perceptions related to each dimension of visual merchandising. No two retail outlets are found to be perceived similar on one dimension of visual merchandising. This study helps retailers to understand about the way visual merchandising techniques that can be used to influence the purchase behavior of customers who visits store. If customer develops unique positive perception based on the store visual merchandising, it can be used a unique differentiating tool and can help create distinct image of store in mind of customers.