

The Effects of Visual Merchandising Elements of Retail Store on Consumer Attention and Customer Loyalty

Analyn S. Abad¹, Allison Laine M. Celeridad², Ellaine Jane A. Soltes³

¹ Department of Marketing Management, College of Business Administration, Polytechnic University of the Philippines, Sta. Mesa, Manila, 1016, Metro Manila, Philippines

² Department of Marketing Management, College of Business Administration, Polytechnic University of the Philippines, Sta. Mesa, Manila, 1016, Metro Manila, Philippines

³ Department of Marketing Management, College of Business Administration, Polytechnic University of the Philippines, Sta. Mesa, Manila, 1016, Metro Manila, Philippines

ABSTRACT

This research paper discusses the effects of visual merchandising elements of a retail store on consumer attention and customer loyalty. Visual merchandising has been one of the effective marketing strategies to show the ways that a retail store could do in order to entice its potential customers. This involves the design and presentation of a store's layout, window display, color and lighting, store interior design, consumer attention, and customer loyalty. The study focuses on the elements which are the store layout, window display, color and lighting, and store interior design, and how these influence on gaining sales of a store as well as consumer attention and customer loyalty. Simple random probability sampling technique was used in conducting this research, and an adapted questionnaire was designed to gather responses from respondents. Students were made respondents from the College of Business Administration in the Polytechnic University of the Philippines – Manila are collected with their demographic profiles to have an authentic individual feedback. The hypotheses for exterior layout and interior layout in having positive impacts on attention and loyalty have been accepted. Also, a visually-pleasant retail store setting results has a significant effect to customer retention customer loyalty. In conclusion, marketing professionals should focus on developing visual merchandising strategies for attracting customers' attention and increase customer loyalty which may also lead to gain more sales profit and an edge over competitors.

Keyword: - Visual Merchandising Elements, Retail Store, Consumer Attention, Customer Loyalty, Store Layout Interior Design, Window Display, Color and Lighting

1. INTRODUCTION

The industry has evolved throughout the years that is why there are a lot of stores, particularly in merchandising, have created strategies on how to gain more customer attention and consumer loyalty from their target market. Suppliers need to consider and to evaluate the product, price, promotion, place and people to have market differentiation. That is why the researchers want to find out the effects of visual merchandising elements of retail store on consumer attention and customer loyalty. Visual merchandising has been one of the effective marketing strategies to show the ways that a retail store could do in order to entice its potential customers. This involves the design and presentation of a store's layout, window display, color and lighting, store interior design, consumer attention, and customer loyalty. This has purposes to educate the customer, to enhance the stores' image, and to encourage multiple sales (Wanniaichchi and Kumara, 2016). The researchers ought to discover the effects of visual merchandising elements of retail store on consumer attention and customer loyalty to the students of College of Business Administration in the Polytechnic University of the Philippines - Manila. That is why they have gathered a total of 337 respondents from each of the department in the said college and evaluate the result after.

There always have been tight competitions between retail stores in the market. Various factors affect potential consumers' perception on those retail stores. The two major areas are the exterior and interior of the store which have color combination, lighting, store layout and design, furniture and fixtures. These elements contribute to

the role of visual merchandising in helping creating the perfect atmosphere to attract the customers, and at the same time, create loyalty in them (Law, Wong, and Yip, 2012). According to Asporf (2010), one of the keys in achieving the good and appropriate store image is to present the atmosphere of the store that matches the targeted market's expectations, and the retail store's goals and objectives. Some of the types of store layout are free flow, grid, race track and spine layout. In this way, the shop could make a brand image for themselves that makes them different and distinct from their competitors. Also, if the customer could relate to the image that the store made for itself in some way, it could create consumer loyalty, because it could form an attachment to that store. That attachment could be the reason for them coming back to the store. Display can also take part on putting visual merchandising to life. Window display is one of those attractive measures highlighted by Mopidevi and Lolla (2013). Those people who are managers at the stores tend to work hard on making an attractive and dynamic window displays. That is because individuals, sometimes, have impulse buying behaviors that the products that they see through the displays is enough to compel them into buying these items (Soomro, Kaimkhani, and Iqbal, 2017). Besides the window displays, the importance of right kind of lightning in a store has already briefly been mentioned, it can among other things affect how we view quality. Colors inside the store have both physical and psychological influences on humans (Asporf, 2010). Visual merchandising does not always mean what the eyes see; it also lets customers use their other senses. Just like the sense of smell could influence one's buying behavior (Asporf, 2010). This lets people associate the scent or the fragrance in moments and events in their lives from past to their present. A customer can express perceptions from certain scents. And also, if a store has a familiar smell to it, it could use that to their advantage into differentiating themselves from their competitors (Asporf, 2010).

This study aims to seek on the characteristics and the level of agreement of students in the College of Business Administration in the Polytechnic University of the Philippines – Manila towards the effects of visual merchandising elements to retail stores and how these contribute to one's attention and loyalty to those stores. This can also contribute on the information on how effective these strategies will help a store gain more sales and customers than ever. In this paper, it would talk about how it analyzes and perceives on the influence of these elements on consumer attention and customer loyalty in the context of the Philippine setting.

Using the demographic profiles and information from the surveys that have been conducted, this will be used to relate on the influence level of the visual merchandising elements in terms of store layout, window display, color and lighting, and store interior design to consumer attention and customer loyalty. The tools that they used were ANOVA, descriptive statistics, and regression analysis. Also, from the past research made by other researchers, the researchers would also determine the impact of these elements on customer attention. Then, they would explore on the relation of these visual merchandising elements in gaining customer loyalty.

2. LITERATURE REVIEW

Visual Merchandising is a marketing technique wherein the retailers enhance the exterior and interior layout of their store which has great impacts on the customers' attraction (Mattila and Wirtz, 2009). Also, visual merchandising nowadays is not only restricted to floor window display it also considers as the necessity to attract the customers by all means from the entrance of the store up to the position of each product inside it. According to Chandon et al. (2009), visual merchandising is one of the marketing tools that trigger impulsive buying behavior of the customers. In this visually-enhanced technique includes aesthetic atmosphere, appropriate shelf arrangement, attractive windows display, cleanliness, and such. To attract customers, a business should keep in mind the end goal which is to draw in customers. By exciting their senses through distinctive and unique highlighted store layout, leads them to go back to the store and turn them into a loyal customer (Quidores, 2012). Visual merchandising targets all five senses of a human being (Stanley, 2010.) These senses are the sense of sight, hearing, taste, smell, and touch which determine the overall atmosphere accordingly. Customer's attention and achieving high level of sales of a business are some outcomes that were influenced by visually pleasant atmosphere. Also, it helps the retailers construct a strong and positive image for their store.

There are two major areas in visual merchandising: the store exterior and interior – these are variety of factors like color combination, lighting scheme, product placement, store layout and design, props selection, furniture and fixtures.

Cristobal (n.d.) defined the four dimensions of visual merchandising namely, window display, in-store form/mannequin display, floor merchandising and promotional signage. Window display is items for sale or designed to attract customers to enter the store. It usually refers to the huge-sized window in front of the shop. Mannequin displays are those human figured objects that are typically used to displays clothes. Floor merchandising is developing floor plans and three-dimensional displays in order to emphasize goods they feature. And lastly,

promotional signage, are objects that helps the customers to know who you are and what you are. This will help to generate impressions for your store. Additionally, Pillai et al. (2011), in their research, showed that consumers get influenced by attractive window displays, properly designed store layout, and overall appealing visual merchandising which convert potential visitors into actual buyers.

According to Babin et al. (2003) found that combination of colors, lighting, and background music influence the consumer purchasing decision and alter consumer's perception. Colors do have effects on human resource performance and cognitive interpretation that lead to create desired consumer reactions. Similarly, Fiore et al. (2000) intangible store elements such as scent or fragrance can stimulate emotional state and imaginations. A study done by researchers about the relationship between colors and lighting, and how these two influence consumer attention has been a topic for the past years. A research conducted by Olson (2005) showed that both of these components greatly affect consumers' psychological behavior regarding with visual merchandising. The result of the study discussed the evaluation of the impact of cool colors such as blue and green which are gaining more consumers' attention than of warm colors.

Generally, visual merchandising is basically a way of gaining consumer's attention which means bringing something to the notice of the consumers. Marketers use visual merchandising by presenting visually-pleasant retail setting making target costumers react in return having the awareness which a marketer provides in promoting a service or a product. This technique highlights the products and services in such a manner that will boost the business' sales.

2.1 Hypothesis

H1: Store Layout of the retail store has significant positive impact on consumer attention and customer loyalty.

H3: Color and Lighting of the retail store has positive and significant impact on consumer attention and customer loyalty.

H4: Store Interior Design of the retail store has significant positive impact on consumer attention and customer loyalty.

The art of displaying the products in a unique way increases consumer attention which marketers used this technique to increase the business sales. Creative window display also leads to consumer impulsive buying. Also, marketers use this strategy to convey promotional messages to their consumers.

According to Mopidevi and Lolla (2013) window display is one of those attractive measures highlighted which is considered as one of the most used and beneficial ways in drawing the attention of customers. Razzouk, Seitz, and Chaudhuri (2001) stated in their research that many of the retailers offer the same kind of products to the consumers. However, the differences between the other retailers are the manner of exhibiting their products and draw the attention of the customers. Retailers are working hard to make their displays dynamic and unique than their competitors which leave a positive impression to their consumers. They further discussed in their research that the image of the store is built by its window display and it highly depends to the customers to walk into your store if the display will attract his attention.

H2: Window Display of the retail store has significant positive impact on consumer attention and customer loyalty.

The entire interior setting and atmosphere of the store holds a significant key to success of the retail store. Product placement and spacing of the retail store is necessary part in store layout and design. Based in an empirical study from Gaurus et al., (2015) it stated that a unique store layout increases the probability of the consumers to stay much longer and enjoy the traffic free shopping experience.

Aside from gaining consumer's attention because of well-presented and visually-pleasant atmosphere of both interior and exterior outlook of the store, it also helps achieving high levels of sales for the stores. According to Stanley (2010), evaluation of consumer's perspective must be done on continuous basis since it is not a single day process and store management or the marketer must continue to upgrade their store's setting. In accordance to this, it results to the incorporation of all the changes that the target market wishes to visualize their favorite store. Visual merchandising is used to communicate to potential customers about the product offering, brand, and the overall image of the company which makes the customers to become loyal if the product offerings are high quality, presented in a customer-friendly and accessible setting of products. Products displayed in a unique way to attract shoppers to visit frequently that builds long-term loyal customer relationships (Nolan, 2018). According to Makhil (2015), the research found out that visual merchandising elements like color & lighting, store interior design, and store layout results to a long-term customer loyalty.

3. MATERIALS AND METHODS

A quantitative methodology was utilized in order to know the effects of visual merchandising elements of a retail store on consumer attention and customer loyalty and to analyze if the proposed hypotheses are verified.

3.1. Sample Size and Sampling Techniques

337 college students from Business Administration Department were selected randomly. The researchers ensure that answering the survey questionnaire, provided for the respondents, every data and information gathered will be ethically used. Simple Random Sampling was used which is considered as the basic probability sampling design that give each element in the population a chance of being included in the sample. Polytechnic University of the Philippines (Sta. Mesa Campus) - College of Business Administration students were chosen as the respondents.

3.2. Data Collection Procedure

The researchers adopted a survey questionnaire which was distributed among randomly selected respondents that includes close ended questions which was divided into two sections. The first one contains the Respondent’s Demographic profile (including sex, age, course and year level, type of student, annual family income and religion). Part two contains the survey questions that include four elements of visual merchandising (Store Layout, Window Display, Color and Lighting, and Store Interior Design) which are considered as the contributing factors affecting the buying behavior of the students and two dependent variables (Consumer attention and Customer Loyalty). The questionnaire has been developed using Likert scale of 1 to 5 starting from strongly disagree (1) to strongly Agree (5).

3.3 Research Model

The main objective of the study is to analyze how visual merchandising elements such as store layout, window display, color and lighting and store interior design of a retail store affect in gaining consumer attention and customer loyalty.

This study would use the system approach. The system of three (3) frames is composed of inputs which went through the process and emerge as the output. Whereas the input includes the statement of the problem of the study. The respondents will be answering a survey-questionnaire containing the demographic in terms of the following written on the figure and the factors affecting consumer's buying behavior.

In the process, it includes the classification profile of the respondents. It also contains the methods and the procedures used to determine the consumer's buying behavior by making questionnaires, conducting research, and the use of statistical tools.

Lastly, in the output the expected outcome will determine the effects of visual merchandising elements of a retail store on consumer attention and customer loyalty.

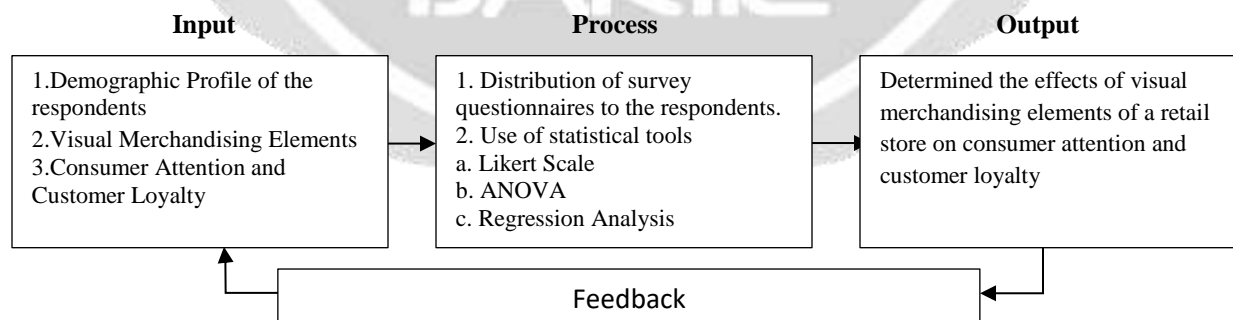


Fig -1: Research Model

3.4 Statistical Treatment

3.4.1. Likert Scale

This is widely used to measure attitudes and opinions with a greater degree of nuance than a simple 'yes or no' question. It offers a range of answer options from one extreme attitude to another. The series of number includes the highest and lowest possible level of agreement of the respondents.

Table 1: Scale of Measurement on Factors Affecting Consumer's Buying Behavior

Scale	Verbal Interpretation
4.01-5	Strongly Agree
3.01-4	Agree
2.01-3	Neither Agree nor Disagree
1.01-2	Disagree
0-1	Strongly Disagree

3.4.2 ANOVA

This was used to determine the significance of the dependent variable (consumer attention and customer loyalty) and independent variable (store layout, window display, color & lighting, and store interior design).

3.4.3 Regression Analysis

It refers to a set of techniques for studying the straight-line relationships among two or more variables. The research has four independent variables which are Store Layout, Window Display, Color and Lighting, and Store Interior Design. While it has two dependent variables which are consumer attention and customer loyalty.

4. ANALYSIS AND REPORT

Table 2: ANOVA (Religion)

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>SF</i>
Regression	1	10.31315	10.31315	1.694315	0.19
Residual	335	2039.117	6.086917		
Total	336	2049.43			

Table 2 represents ANOVA which shows the significance of Religion on the effects of visual merchandising elements on customer attention and loyalty. Since the significant value is 0.19 which is greater than 0.05, the religion is said to be insignificant for further analysis to check the effect of each independent variable on consumer attention and customer loyalty.

Table 3: ANOVA (Sex)

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>SF</i>
Regression	1	0.279133	0.279133	1.272834	0.260043
Residual	335	73.46567	0.219301		
Total	336	73.74481			

Table 3 represents ANOVA which shows the significance of Sex on the effects of visual merchandising elements on customer attention and loyalty. Since the significant value is 0.26 which is greater than 0.05, the sex is said to be insignificant for further analysis to check the effect of each independent variable on consumer attention and customer loyalty.

Table 4: ANOVA (Age)

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>SF</i>
Regression	1	0.210536	0.210536	0.123772	0.7252
Residual	335	569.8369	1.701006		
Total	336	570.0475			

Table 4 represents ANOVA which shows the significance of Age on the effects of visual merchandising elements on customer attention and loyalty. Since the significant value is 0.72 which is greater than 0.05, the age is said to be insignificant for further analysis to check the effect of each independent variable on consumer attention and customer loyalty.

Table 5: ANOVA (Type of Student)

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>SF</i>
Regression	1	0.045185	0.045185	0.770482	0.380697
Residual	335	19.64621	0.058645		
Total	336	19.69139			

Table 5 represents ANOVA which shows the significance of Type of Student on the effects of visual merchandising elements on customer attention and loyalty. Since the significant value is 0.38 which is greater than 0.05, the type of student of the respondents is said to be insignificant for further analysis to check the effect of each independent variable on consumer attention and customer loyalty.

Table 6: ANOVA (Annual family Income)

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>SF</i>
Regression	1	29.02608	29.02608	13.78875	0.00024
Residual	335	705.1935	2.105055		
Total	336	734.2196			

Table 6 represents ANOVA which shows the significance of Annual Family Income on the effects of visual merchandising elements on customer attention and loyalty. Since the significant value is 0.00024 which is lesser than 0.05, the respondent's annual family income is said to be significant for further analysis to check the effect of each independent variable on consumer attention and customer loyalty.

Table 7: Descriptive Statistics

	Mean	Standard Deviation	N
Consumer Attention	4.422849	0.587237949	337
Customer Loyalty	4.373887	0.61721658	337

Store Loyalty	4.421365	0.504443073	337
Window Display	4.243323	0.534654644	337
Color & Lighting	4.241543	0.540663166	337
Store Interior Design	4.509199	0.504448909	337

Table 7 shows the independent and dependent variables' Descriptive Statistics and their values. Based on the data, the mean value of consumer attention is 4.42, customer loyalty is 4.37, store layout is 4.21, window display and color & lighting is 4.24, and store interior design is 4.50. While the overall mean of the data is 4.36. The hypothesis will be rejected if any of its value is less than 4. Based on the results, there is an impact of store layout, window display, color & lighting and store interior design on consumer attention and customer loyalty. To further check the direction of impact of variable on dependent variable, data was carried out for further analysis using Regression.

Table 8: ANOVA (Consumer Attention)

	df	SS	MS	F	SF
Regression	1	67.6709326	67.67093	470.3452	P<0.001
Residual	335	48.1981326	0.143875		
Total	336	115.869065	3		

a. Predictors : (constant) Store interior, Window display, Color & Lighting, and store interior design
 Dependent Variable: Consumer Attention

Table 8 presents ANOVA which shows the significance of the elements of visual merchandising on consumer attention. Since the significant value is P<0.001 which is less than 0.05, the variable is said to be highly significant for further analysis to check the effect of each independent variable on Consumer Attention.

Table 9: ANOVA (Customer Loyalty)

	df	SS	MS	F	SF
Regression 1	1	69.64281668	69.64282	399.7763	P<0.001
Residual	335	58.35850214	0.174204		
Total	336	128.0013188			

a. Predictors : (constant) Store interior, Window display, Color & Lighting, and store interior design
 Dependent Variable: Customer Loyalty

Table 9 presents ANOVA which shows the significance of the elements of visual merchandising on customer Loyalty. Since the significant value is P<0.001 which is less than 0.05, the variable is said to be highly significant for further analysis to check the effect of each independent variable on Consumer Attention.

Table 10: Regression Coefficients

		estimate	S.E.	C.R.	P
Consumer Attention & Customer Loyalty	<--- Store Loyalty	0.447	0.050	8.78	P<0.001
Consumer Attention & Customer Loyalty	<--- Window Display	0.46	0.046	9.804	P<0.001
Consumer Attention & Customer Loyalty	<--- Color & Lighting	0.532	0.043	12.137	P<0.001

Customer Loyalty					
Consumer Attention & Customer Loyalty	<---	Store Interior Design	0.752	0.038	19.431 P<0.001

Table 10 of coefficients presents the significant and beta values of all the independent variable. All significant values presented above for all the independent variables are less than 0.05 and are significant.

Moreover, Store Loyalty has a significant value of $P<0.001$ and a beta value of 0.447 which means that it is highly significant and has a positive effect on consumer attention and customer loyalty. Hypothesis 1, Store Layout of the retail store has significant positive impact on consumer attention and customer loyalty has been accepted.

Furthermore, Window Display in table with $P<0.001$ significant value and 0.46 beta value explains that it is highly significant and positively affect consumer attention and customer loyalty. Hypothesis 2, Window Display of the retail store has significant positive impact on consumer attention and customer loyalty has been accepted.

Likewise, with a significant value of $P<0.001$ and a beta value of 0.532, color and lighting is highly significant and has a positive effect on consumer attention and customer loyalty. Hypothesis 3, Color & Lighting of the retail store has positive and significantly impact on consumer attention and customer loyalty has been accepted.

Lastly, Store Interior Design has a significant value of $P<0.001$ and a beta value of 0.752 which means that it is highly significant and has a positive effect on consumer attention and customer loyalty. Hypothesis 4, Store Interior design of the retail store has significant positive impact on consumer attention and customer loyalty has been accepted.

Table 11: Hypotheses Assessment Summary

Hypotheses	Beta Value	Sig Value	Empirical Conclusion
H1	0.447	$P<0.001$	accepted
H2	0.46	$P<0.002$	accepted
H3	0.532	$P<0.003$	accepted
H4	0.752	$P<0.004$	accepted

5. DISCUSSIONS

This research was conducted in order to analyze and to evaluate the effects of visual merchandising elements of a retail store to consumer attention and customer loyalty in the Philippine setting. The students from different departments of the College of Business Administration in the Polytechnic University of the Philippines were the ones who responded in the adapted questionnaire of the researchers. This is to examine on the influence of the elements – store layout, window display, color and lighting, and store interior design – and if all have positive impacts on attention and loyalty of consumers. The results on the demographic profile showed that the annual family income has significant impact on the effect of these elements on consumer attention and customer loyalty. Since the significant value is 0.00024 which is lesser than 0.05, then the respondent’s annual family income is said to be significant.

This study demonstrates that visual merchandising elements such as store layout, window display, color and lighting, and store interior design have positively brought impact on consumer attention and customer loyalty. Visual merchandising has been strategy by marketing professionals to boost and to create significant impact on consumer buying behavior and loyalty. People are easily attracted with stores that have eye-catching elements in them. Store layout is highly significant and has a positive effect on consumer attention and customer loyalty. The analytical results of this study indicate that store layout design has significant impacts on emotional arousal and attitude (Wu, Lee, Fu, and Wang, 2014). If a store would design its layout for the whole place according to their target market’s interests, then, it would hold their attention and a good possibility on buying there, too. For example, if the layout is according to a vintage style, then, people who have interests in aesthetics could appreciate it. Another one is that the results showed that window display has a great positive effect on consumer attention and customer loyalty. Window displays that are more creative will be more successful in attracting store visits and that this effect is mediated by store window attitude, product beliefs, and perceptions of retailer effort, and offer an opportunity for retailers to influence consumers who are in the vicinity of their stores (Lange, Rosengren, and Blom, 2015). Providing customers with unique and distinctive window displays is the only mean through which retailers can keep up the attention of consumers (Mehta & Chugan, 2013). For example, in a clothing retail store, there are mannequins and displays by the windows that, one way or another, would compel the passing potential customer to look. If

window displays are strategically displayed and positioned, then it can contribute greatly on getting customers to go in that store and purchase products. Storefront displays generally function to increase attention to the store or generate unplanned store visits (Cornelius, Natter, Faur, 2010). It has a sense of spontaneity in purchasing products from the point of view of the customer, and with good service, may end in the loyalty of that customer.

Another visual merchandising element was accepted which is color and lighting. Color and lighting of the retail store has positive and significant impact on consumer attention and customer loyalty. Customer satisfaction could lead to consumer attention and customer loyalty (Ryu and Han, 2011). While the physical environment is fairly important in helping to establish first impressions, there are other physical spaces that have a large influence on guest perceptions and impressions (Countryman and Jang, 2006). The atmosphere is one of the major factors to consider in a retail store. It should have the right kind of lighting and also color that would perfectly describe the brand image of one's retail store. The store could easily distinct itself from its competitors if it has a unique atmosphere to it. Color carries meaning and can influence consumers' thoughts, feelings, and behaviors (Labrecque, Patrick, and Milne, 2013). In this generation, marketers in the industry do their best to appeal to the public or to the target market's emotions. The aim is to make an attachment to the customers that would lead to customer loyalty. Lastly, store interior design of the retail store has significant positive impact on consumer attention and customer loyalty. According to Park, Jeon, and Sullivan (2014), consumers' perceptions of visual merchandising can arouse consumers' in-store merchandise exploration, such as interacting with products, differentiate a retail brand among competitors; contribute to brand preference; and encourage purchase intentions. It is important that the interior design of a specific store has an innovative way to get customers to interact with a product from the interior design. It is to show that they could test a product before deciding to purchase them. Also, with an appealing store interior design, it could communicate on the image of the store. It gives off a brand personality for the store. Communicating is important, so that it could inform, enrich, and persuade customers into knowing the store's strengths, values, and its offerings on their products and services.

Visual merchandising is one of the techniques which are used to attain competitive advantage as well (Soomro, Kaimkhani, Iqbal, 2017). Individuals are more likely to visit or to shop from the store which can gain their attention. According to Garvey (2010), he highlights the various steps one must follow with regard to setting up a store, showcase of the various merchandise in an appealing manner and the like. He emphasizes on the first step which requires us to go over our business plan in order to decide on the theme and related aspects as the look and feel of the store can make a huge impact on a customer's decision to buy, enter the store, or return for repeat business. Making sales is one thing, but making customers part of the experience and feel of the atmosphere in a store is another. It is important that the store should consider the experience of the consumer while shopping. Also, the visual outside of the store is as essential as it is in the inside. Gaining attention of the consumers could be through promotional means or how impressive is the shop's design. However, the key to customer loyalty is through the atmosphere that the customer experienced and felt when they went or passed through one's shop.

6. CONCLUSIONS

The study was conducted to assess the impact of the effect of visual merchandising elements of retail store on consumer attention and customer loyalty. Examining the impact of visual merchandising elements such as color & lighting, store interior design, and store layout in attracting customers and the researchers gather responses of consumers through survey questionnaire. Visual merchandising is the quality of the store atmospheric elements of retail environment (Kotler, 1974). Visual merchandising is a very important tool and it has an effect on the impulsive buying behavior of consumers. Bashar and Irshad (2012) stated in their research that window display and floor merchandising have a positive relation with impulsive buying behavior and visual merchandising have a significant impact and it increases the foot traffic of the stores. Impulsive buying is the result of attractive interior and exterior layout of a store. The color & lighting has a positive effect on consumer attention in which it is significant on getting the attention of consumers and motivate them to buy the product which is stated in the research of Aspfors (2010). Based on the findings of this research, window display has a positive impact on enticing the attention of consumer. According to Mehta & Chugan (2013) having a unique window display is the only way to convey in which the store can retain the consumer attention. The store layout will make the customer stay longer if it is organized in a pleasing manner. This will attract consumers in a way that will catch their attention when buying products inside the store. Also, the layout should be in a manner that the customer should find all the goods upon entering the store (Ebster & Garaus, 2011).

In general, visual merchandising has an effect on consumer attention and customer loyalty. To conclude the research, H1, H2 and H3 where all accepted. Earning the consumer's attention and loyalty is vital to increase their

buying behavior. It is essential to consider the design, layout, and lighting of a retail store. The design will visually attract customers to come in, and also, it will compel them to buy products, thinking that it will be attractive to them as well. The layout is important to show accessibility to the products that would make it easier for customers to find their things. Lastly, color and lighting tend to create an atmosphere and ambiance that is suitable to the brand image of the retail store. Visual merchandising strategies should be used by store managers to communicate with their customers and attract them to visit their stores.

7. ACKNOWLEDGEMENT

First of all, we would like to thank God for blessing us with the opportunity and wisdom in this research.

We would like to sincerely express our deepest gratitude to our research adviser, Professor Mecmack A. Nartea, MMBM, for guiding, inspiring, encouraging, and supporting us in this research. His patience and immense knowledge helped all of us in creating and formulating this research. We could never have done it without him. We are grateful from the bottom of our hearts.

The completion of this research paper would never be done without the support of our parents: Mr. and Mrs. Abad, Mr. and Mrs. Celeridad, and especially, Mr. and Mrs. Soltes for giving us inspiration and a place to work on this research. We are thankful to our parents for they have given us strength and determination to make this research possible.

We also want to thank Ms. Sana Kaimkhani of Iqra University for letting us adapt their research instrument. We appreciate the kind help and cooperation that you have showed us in the duration of this research project.

8. REFERENCES

Aspfors, E. (2010). Customer's perception of services, store image and product assortment- from an interior store perspective. *Journal of Business Economics and Tourism*, 25(7).

Babin, B. J., Hardesty, D. M., & Suter, T. A. (2003). Color and shopping intentions: The intervening effect of price fairness and perceived affect. *Journal of Business Research*.

Chandon, P., Hutchinson, J., Bradlow, E., & Young, S. (2009). Does In-Store Marketing Work? Effects of the Number and Position Shelf Facings on Brand Attention and Evaluation at the Point of Purchase. *Journal of Marketing*.

Cornelius B., Natter M., and Faur, C. (2010). How storefront displays influence retail store image. *Journal of Retailing and Consumer Services*, Volume 17, Issue 2, Pages 143 -151.

Countryman, C. and Jang, S. (2006), "The effects of atmospheric elements on customer impression: the case of hotel lobbies", *International Journal of Contemporary Hospitality Management*, Vol. 18 No. 7, pp. 534-545.

Fiore, A.M., Yah, X. and Yoh, E. (2000). Effect of a product display and environmental fragrancing on approach responses and pleasurable experiences, *Psychology and Marketing*, Vol. 17 No. 1, pp. 27-54.

Garaus, M., Wagner, U., & Kummer, C. (2015). Cognitive Fit, Retail Shopper Confusion, and Shopping Value: Empirical Investigation. *Journal of Business Research*.

Garvey, J. P. (2010). All About Visual Merchandising. Retrieved from <http://ezinearticles.com/?All-About-Visual-Merchandising&id=3598781>, on 18/04/2010

Labrecque, L. I., Patrick, V. M. and Milne, G. R. (2013), The Marketers' Prismatic Palette: A Review of Color Research and Future Directions. *Psychol. Mark.*, 30: 187-202.

Lange, F., Rosengren, S. and Blom A. (2015). Store-window creativity's impact on shopper behaviour. *Journal of Business Research* Volume 69, Issue 3, Pages 1014-1021.

- Makhal, A.B (2015). The Importance of Visual Merchandising on Consumer Loyalty, A Study Conducted in Kolkata. *The International Journal of Business & Management*, Vol.3, Issue: 5, pp.195-202.
- Mattila, A. & Wirtz, J. (2008). The role of store environment stimulation and social factors on impulse purchasing. *Journal of Services Marketing*.
- Mehta, N. & Chugan, P. (2013). The Impact of Visual Merchandising on Impulse Buying Behavior of Consumer: A Case from Central Mall of Ahmedabad India. *Universal Journal of Management*, 1(2), 76-82.
- Mopidevi, R. & Lolla, S. (2013). Visual Merchandising an Impulsive Reinforcer of Purchases Leading to Social Imbalance: A Case Study on Middle Class Families in Hyderabad. *Journal of Business and Management*.
- Olson, J. (2005). *Consumer Behavior & Marketing Strategy*. New York: McGraw-Hill/Irwin.
- Pillai, R., Iqbal, A., Umer, H., Maqbool, A., & Sunil, N. (2011). Design, effectiveness and role of visual merchandising in creating customer appeal.
- Razzouk, N.M. Seitz, V. & Chaudhuri, A. (2001). The Impact of Perceived Display Completeness/Incompleteness on Shoppers' In-store Selection of Merchandise: An Empirical Study. *Journal of Retailing and Consumer Services*.
- Stanley, J. (2010). Display does the magic: A case where powerful window display creates the footfall. *International Journal of Research in Marketing*.
- Soomro, Dr. Yasir & Kaimkhani, Sana & Iqbal, Javeria. (2017). Effect of Visual Merchandising Elements of Retail Store on Consumer Attention. *Journal of Business Strategies*. 11. 10.29270/JBS.11.1(17).002.
- Wu, W., Lee, C., Fu, C. and Wang, H. (2014), "How can online store layout design and atmosphere influence consumer shopping intention on a website?", *International Journal of Retail & Distribution Management*, Vol. 42 No. 1, pp. 4-24.