

**A STUDY ON VISUAL MERCHANDISING AND ITS INFLUENCES ON IMPULSE  
BUYING BEHAVIOUR IN RETAIL OUTLET, TRICHY REGION**

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**ABSTRACT:**

*This study explores the effect of visual merchandising and its impact of impulse buying behavior of consumer towards a retail store based on how they attracted by window display and stores in mannequins form. The main purpose for this study is to find out the influence of visual merchandising. The study helps to analyze the impact of various variables in impulse buying behavior of consumers. This will also helps to identify the strategies used by retailers to intensify their visual merchandising and to give a plan for further improvements.*

**KEYWORDS:** *Visual merchandising, Impulse buying behavior, Retailing*

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**Introduction:**

Retailing means a commercial transaction in which a buyer anticipate to consume the goods or service through personal, family or household use.

Visual merchandising is an activity of promoting the sale of goods, especially by their presentation in retail outlets. It is the art of implementing effective designs, ideas to increase store image and sales volume and it is a mechanism to be in touch with a customer and influence the decisions to buy.

Visual Merchandising can be defined as everything the customer sees, both peripheral and interior, that creates a positive image of a business and results in attention, interest, desire and action on the part of the customer. It gives the business an edging over antagonism. Strategically used, visual merchandising can even create brand distinctiveness. It sets the context of the merchandize in an aesthetically lovely fashion, presenting them in a way that would adapt the window shoppers into

development and ultimately buyers of the product. Visual merchandising has become natural component of every modern point of sale and is characterized by the direct contact between merchandise and patrons; it helps clients to easily approach goods visually, physically, mentally and intellectually without the help of a sales person. The importance of visual merchandising as an essential instrument of communication for the retailer and manufacturer is derived basically from the demand of the customers.

Visual merchandising plays a fore most part in retailing. “It is that which develop products, supports brands, amplify traffic and sales, adds visual stimulation by way of strategically located and elucidated focal target in an environment, typically businesses and stores, defines and advertises overall personality and image”.

Impulse buying behaviour means spur of the moment, unplanned decision to buy, made just before a purchase. Impulse buying behaviour makes more profitability to the marketers. It realized that the consumers are influenced by internal and external stimuli. Internal factors refer to such as inner feelings and emotions whereas external factors referred as store atmosphere.

#### **Objectives of the study:**

- To find the effectiveness of visual merchandising on impulse buying behaviours of consumers.
- To find out in what way window display influences the impulse buying behaviour of consumers in retail outlet, Trichy.
- To find out factors of interior design influences the impulse buying behaviour of consumers in retail outlet, Trichy.
- To find out by what method product display influences the impulse buying behaviour of consumers in retail outlet, Trichy.

#### **Scope of the study:**

This study helps the marketers as how different combinations of visual merchandising can be exercised in order to attract all the potential customers and it shows how to retain the existing customers.

**Review of literature:**

(Vandhana gupta, 2013) Visual Merchandising attracts the potential customers by its integral parts such as colouring and lighting. Signage form of an integral part of visual merchandising will provide basic information to the customers and it improves the store image.

(Neha P. Mehta1, 2014) In retail industry fittings and furnishing group has become more competitive. There are many players entering into organized format of retail in this type. Therefore, it becomes important for retailers to differentiate themselves from each other. As the goods are similar, one of the area in which they can differentiate themselves is store presentation in terms of visual merchandising. To examine the dimensions have an impact on purchase behavior of consumers, this study is undertaken. By analyzing the influence of various dimensions of merchandising display such as window display, lay up front, merchandise appearance store layout and organization, innovative style and trend co-ordination have impact on purchase behavior of consumers.

(Mehta and chugan,2013) visual merchandising is process that positions merchandise the customer wants in a right place, at the right time for the purpose of influencing the consumers. This process of merchandising activities is to sell merchandise or services by all means of advertising, display, and special events. Its main objective is to enhance the efficiency of shopping environment, in-store merchandise and differentiate brands so that sales can be increased.

(Mr. Chand Saini1, 2015) This paper is to study the effect of Visual Merchandising on consumers' impulse buying behaviour and to understand the key elements of Visual Merchandising contributing the most for impulse buying. To understand the relationship between visual merchandising and impulse buying in various forms of retail formats including e-retailing. The study found that visual merchandising practices certainly influence customers' buying behaviour and leads to Impulse buying as well. The results suggest that the themes that linked most strongly to purchase intent were merchandise colours, presentation style, awareness of fixtures, path finding, sensory qualities of materials and lighting. This paper offers marketers important insights as to how different combinations of visual merchandising can be implement in order to attract possible customers and to retain the existing customers.

(Kanika Anand, 2012) Deputy Manager- Visual merchandising, Boggy Milano

DLF Brands Ltd, India. In the article “Inspired by the world of Art” states that “Indian retail is moving into ‘Second Gear’ with extensive attempts to constantly meet customer expectations. Given the shift of gear from merely creating awareness, it has its own advantage to harness and challenges to overcome” She further states that “Creating strong foundations for consumerism based societies, we are moving towards a first world fantasy where one does not buy a product, but an experience. Shopping malls, Hypermarkets, Branded outlets and even small time retailers understand and acknowledge the need and importance of VM to generate great business”. Her opinion for consumer trends and behaviour is that Indian consumers are turning increasingly global in their outlook having become much more aware of design trends in the business of fashion, hence demanding the same levels of design and innovations from store spaces. Customer recognition and loyalty is essential to make consistent business but lack of innovate on is hindering the creation of distinct retailer’s identities thus challenging their strong up-ward force/push towards Visual merchandising.

(Anonymous, 2010) had written the dictionary meaning of visual merchandising i.e.

Visual merchandising is an activity of promoting the sale of goods, especially by their presentation in retail outlets. She further mentioned that visual merchandising is like an art in the sense that there are implicit rules, but they may be broken for striking effects. For people who fear unmanageable costs and hence avoid Visual merchandisers, for them visual merchandising can help economize by avoiding costly mistakes. She concluded by mentioning that visual merchandising is the art of implementing effective designs, ideas to increase store traffic and sales volume and it is a mechanism to communicate to a customer and influence his decisions to buy. Recently visual merchandising has gained importance as a quick and cost effective way to revamp retail stores.

(Kerfoot, shone; Davies, Barry; Ward, Philippa, 2003) in their journal of retail and distribution management (Visual merchandising and the creation of discernible retail

brands) highlight on the integration between visual merchandising and retail communication.

It states that Visual stimulation and communication have been considered important aspects of retailing by actioners and academic like Mc Goldrick, 1990, 2002. According to him visual merchandising is concerned with how the products or brand is visually communicated to the customer and also to see whether the message is decoded “appropriately” which further

affect a positive psychological or behavioural outcome, ultimately leading to purchase. Waters S in his article 'Attractive displays', had given the tips to create an effective and attractive window display by the use of tool box and the element of effective visual merchandising. According to her creating an attractive product display can draw the customer in, promote a slow moving item, announce a sale or welcome a season. She further explained how to create an attractive visual display with elements such as balance, colour, focal point, size of objects, lighting and simplicity and signage. She concluded by stating that creating an attractive display takes a little skill and lots of trial and error.

### **Research Design**

This study approved with primary and secondary data. The primary data was collected structured questionnaire from samples of 150 respondents from the specified area. The samples have been measured by using non-probability technique (convenient sampling method) was confirmed and took it for further analysis. Secondary data, being collected from articles, journals, etc. The tool used to analyze the data using Chi square test.

### **Area Of The Study**

In this study the respondents are selected in the Trichy district.

### **Research Approach**

In this study, survey method is used for collecting data, respondents are requested to fill the questionnaire by self after explaining various attributes mentioned in it. It enclosed with closed ended questions with structured format.

### **Sampling Technique And Sample Size**

The sample size of 150 was taken for the purpose of conducting main study to find the respondent makes to find the visual merchandising activity through impulse buying behavior.

### **Questionnaire:**

The primary data was collected through a structured questionnaire comprising of mixed questions (closed end, dichotomous, polychotomous and likert scale questions)

### **Data usage:**

For analysis and interpretation, the data collected through questionnaire are taken only into attention and it is analyzed by using chi square test and correlation.

## Iv Analysis And Interpretation

### Chi square test

A statistical method assessing the goodness of fit between a set of experiential values and those expected in theory. Based on this the independency can be easily identified.

### Hypothesis 1

H0: There is no significant difference between education qualification of the customers and prices clearly informed.

H1: There is significant difference between education qualification of the customers and prices clearly informed.

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.479 <sup>a</sup>	16	.490
Likelihood Ratio	20.110	16	.215
Linear-by-Linear Association	.558	1	.455
N of Valid Cases	150		

### Interpretation:

The significant value (.490) is greater than 0.05. Hence, H0 is accepted. Therefore there is no significant difference between education qualification and prices clearly informed through display.

### Hypothesis 2:

H0: There is significant difference between gender and exterior store signage.

H1: There is significant difference between gender and exterior store signage.

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.698 <sup>a</sup>	4	.020
Likelihood Ratio	13.149	4	.011
Linear-by-Linear Association	.753	1	.385
N of Valid Cases	150		

### Interpretation

The significant value (.020) is lesser than 0.05. Hence H1 is accepted. There is significant difference between gender and store signage.

### Hypothesis 3

H0: There is no significant difference between gender and visual merchandising

H1: There is significant difference between gender and visual merchandising.

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.572 <sup>a</sup>	4	.966
Likelihood Ratio	.567	4	.967
Linear-by-Linear Association	.059	1	.808
N of Valid Cases	150		

The significant value is (.966) is lesser than 0.05. Hence H1 is accepted. There is significant difference between gender and visual merchandising.

**Hypothesis 4:**

H0: There is no significant difference between gender and promotional offerings.

H1: There is significant difference between gender and promotional offerings.

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	30.331 <sup>a</sup>	16	.016
Likelihood Ratio	29.016	16	.024
Linear-by-Linear Association	3.102	1	.078
N of Valid Cases	150		

**Interpretation:**

The significant value is .016. Hence H1 is accepted. There is significant difference between gender and promotional offerings`

**Hypothesis 5:**

H0: There is no significant difference between age and attractive mannequin.

H1: There is significant difference between age and attractive mannequin.



### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.904 <sup>a</sup>	16	.274
Likelihood Ratio	17.958	16	.326
Linear-by-Linear Association	.539	1	.463
N of Valid Cases	150		

#### Interpretation

H0 is accepted. There is no significant difference between age and attractive mannequin.

#### REGRESSION:

##### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.083 <sup>a</sup>	.007	.000	1.29053

a. Predictors: (Constant), frequently.visit

##### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.705	1	1.705	1.024	.313 <sup>b</sup>
	Residual	246.489	148	1.665		
	Total	248.193	149			

a. Dependent Variable: most.influencing

b. Predictors: (Constant), frequently.visit

**Interpretation:**

The independent value most influencing features is not less than 0.05.

**Findings of the study:**

- Most of the respondents were considered that visual merchandising activities will always influences the product in retail outlet.
- Majority respondents were influenced by the promotional offerings of the product.
- Exterior store signage does not influences the consumer. Nearly 35% of respondents are using the store signage for purchasing the product.
- Attractive mannequin display attracts 55% of the customers.
- By using chi square test, there is significant association between the age of the customers and the visual merchandising activity.

**Conclusion and recommendations:**

This study is conducted in particular retail outlet. This study identifies the external factors that affect impulse buying behaviour. It shows that the customers are mostly influenced by visual merchandising activity and turns into impulse buying behaviour. The retailers must use this findings effectively to increase the sales volume of the retail store and innovate themselves. This study disclose the expediency of visual merchandising and understand the consumers impulse buying behaving.

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