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A Study to Analyze Perception of Customers towards Visual Merchandising Techniques in Indore City

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Abstract

Visual merchandising techniques are the important factor which influence the customers shopping pattern and also gives chance to retailers to beautify their stores. With the help of VM techniques retailers can make their stores appealing and can create an attractive image of stores in the mind of customers. The present study attempts to analyze the perception of customers in the direction of visual merchandising. For the purpose store ambiance, design layout and window display techniques of VM were considered to study the perception of customers. The t-independent test was applied and results reported that the perception of males and females on all the three techniques have different. In other words, male customers and female customers perceive these techniques differently.

Keywords: *Visual Merchandising, Perception, Store ambiance, Design layout, Window Display*

1. INTRODUCTION

Human can live his life with food, cloth and shelter properly. These are termed as the basic needs of human beings. Human earn to fulfil these three needs first later on other luxury needs take place and attract the attention of human being. These needs patterns are influenced by various factors prevailing in the environment and due to demographic profiles of human kind too. Cloth is the need which mostly affected by the prevailing trends and fashion in the market. In earlier age, the consumers' buying patterns very simple due to lack of awareness, literacy rate, demographic profile, cultural and religious diversity etc. Earlier the market was unorganised and kirana shops for FMCG products and other unorganised retails shops for cloth and other goods were situated in the market but in present era the consumers are literate and also aware about the new trends and they prefer to shop the products with organised store (Malls and super

markets) over unorganised retail stores due to many reasons. Under one roof customers can avail more than one kind of products which save their time and transportation cost; through organised market they can easily come to know the new products, trends arrival; easy transaction process; personnel assistance are few reasons which impel the customers to visit the malls and super markets.

Due to these reasons, retailers of organised stores also concern about the customers' needs and demands. Therefore they try to make strategies to allure the customers and try to increase the footfall in the stores consequently try to improve the sales volume. Visual merchandising (VM) is one of the strategies adopted and implemented by the retailers. VM is the process which involves the most powerful sense of customers i.e. eyes. With the help of this technique retailers try to allure customers by showcasing the various products in the display of store. This is a

platform which provides benefit to retailers and customers both; retailers can get increased sales and customers can save time by peeping through this techniques in store and get awareness about the products availability in the store. Cloth section in the retail stores needs to use this technique most as today's customers mostly influenced by the current trends in the market hence this technique gives useful insight of the cloth trends available in the store and facilitate the customers' shopping pattern. Both male and female customers generally pay attention to visual merchandising technique and many a times their shopping is directed by this technique which is the reason retailers spend a large amount on visual merchandising and often hire experts for guidance.

Present study focuses on visual merchandising techniques and cloth buying behaviour of customers. Study considers only three techniques of VM i.e. window display, design layout and store ambiance to analyze the cloth buying behaviour of customers. Study tries to understand whether the men and women customers' buying behaviour is different for all the three techniques or not. In other words, the perception of gender over these three techniques is same or not.

2. REVIEW OF LITERATURE

Hoyer et al. (2013) suggest that consumer buying behaviour study generally involves understanding of questions like whether, why, when, where, how, how much, how often and how long consumers will purchase. It is essential for marketer to have the ability of controlling the behavior of consumer, but they do not have enough control and information to do that. Some researches in Iran indicate that factors including promotional activity and visual merchandising can provoke impulse buying behavior, which can reveal the importance of consumer buying behavior in marketing.

According to Muruganantham and Bhakat (2013) states that impulse buying is an action undertaken without previously having been consciously recognized or a buying intention formed prior to entering the store. This phenomenon is defined as more stimulating, less planned, and more on ineluctable buying behavior compared to the intended purchasing

behaviour (Foroughi A, Buang NA, Senik ZC, Hajmisadeghi RS, 2013).

Muruganantham, G and Bhakat, R. S. (2013) found that Lighting, layout, presentation of merchandise, fixtures, floor coverings, colors, sounds, odors, and dress and behavior of sales and service personnel can influence store's atmosphere. Interesting and nice store environment will result in enhanced impulse buying.

In order to show merchandise and concept in their very best we use visual merchandising or display with the final purpose of making a sale (Peglar MM, 2011). Visual merchandising encompasses from display, floor/wall merchandising and promotional signage (Kim J., 2003). Also it is suggested that cross merchandising can increase sale in apparel retailers. We define cross merchandising as merchandising product from different categories together. It can offer to customers' items that they overlook (Leicham S., 2004).

According to Mathew (2008), visual merchandising is the creation of visual displays and the arrangement of merchandise assortments within a store to improve the layout and the presentation of the store in order to increase store traffic and sales. The visual merchandising display process is often referred to as being the "silent salesperson" by providing the consumers with information by means of visual mediums as well as by suggestive selling (suggestions to add items to a consumers' original purchase) (Bhalla & Anuraag, 2010).

Pegler (2010) pointed out that due to the size of super stores and department stores, they need to be "warmed up" by using the correct atmospheric and display methods. Visual merchandising displays are often used to launch new products or brand extensions to consumers as well as to beautify a store. This is a planned and orderly approach to display the stock that is available in the store. Visual merchandising displays is used to great effect in retail outlets to carry out different functions such as to assist sales, to aid the retail strategies, to converse with consumers and to assist in communicating the apparel retailers' brand image (Levi & Weitz, 2009 and Bell & Turnus, 2008).

3. OBJECTIVE OF THE STUDY

Following is the primary objective of the study:

To study the perception of male and female customers towards visual merchandising techniques.

4. HYPOTHESES

H1: There is no significant difference in window display on the basis of gender.

H2: There is no significant difference in design layout on the basis of gender.

H3: There is no significant difference in store ambiance on the basis of gender.

5. RESEARCH METHODOLOGY

The primary purpose of the study is to test the perception of male and female customers towards visual merchandising techniques in connection to window display, design layout and store ambiance. For this purpose a self structure questionnaire based on likert scale containing 12 questions on window display, design layout and store ambiance with demographic information questions was circulated among the customers who shop from malls and super markets. The study was descriptive and analytical in nature.

6. THE SAMPLE AND DATA COLLECTION TOOLS

A sample of 300 respondents was taken from Indore city who shop from malls by non-probabilistic convenient sampling method. And self-structured questionnaire has been distributed among respondents

by explaining the purpose of the study, all of them have responded and returned it back. The resulting sample comprised 57% males and 43% females. The presentation of demographic variable "Gender" has shown below:

Table 1

Gender	No. of Respondents	Percent
Male	171	57%
Female	129	43%

7. TOOLS FOR ANALYSIS

❖ Independent t-test is applied to test the stated hypothesis by software SPSS 16.0 version.

Data Analysis and Results Independent Samples T - Test

Table 2 : Group Statistics

VM Techniques	Gender	N	Mean	Std. Deviation	Std. Error Mean
Store Ambiance	Male	171	3.46	.766	.059
	Female	129	3.75	.692	.061
Design Layout	Male	171	3.34	.708	.054
	Female	129	3.59	.557	.049
Window Display	Male	171	3.63	.944	.072
	Female	129	3.90	.654	.058

The table shows the mean and standard deviation for considered three visual merchandising techniques. Mean data indicates that responses of all the respondents together are very near to 4. This means most of the respondents agree that these techniques play important role in visual merchandising.

Table 3 : Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
VM Techniques		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Store Ambiance	Equal variances assumed	1.177	.279	-3.481	298	.001	-.298	.086	-.467	-.130
	Equal variances not assumed			-3.531	288.349	.000	-.298	.085	-.465	-.132

Design Layout	Equal variances assumed	11.824	.001	-3.375	298	.001	-.255	.076	-.403	-.106
	Equal variances not assumed			-3.488	297.440	.001	-.255	.073	-.399	-.111
Window Display	Equal variances assumed	14.699	.000	-2.819	298	.005	-.273	.097	-.464	-.083
	Equal variances not assumed			-2.962	295.967	.003	-.273	.092	-.455	-.092

The above analysis suggest that male and female customers have different overview in context of all three techniques i.e. store ambiance, design layout and window display.

The above table shows that variance ($F=1.177, p>.05$) for the perception on store ambiance of male does not significantly different than that of the female hence the impact of gender on store ambiance factor was significant ($t=-3.481, p<.05$) as the stated hypothesis is rejected which suggest that there is significant difference seen on store ambiance on the basis of gender.

Further table shows variance ($F=11.824, p<.05$) for the perception on design layout of male was significantly different than that of the female hence the impact of gender on design layout factor was significant ($t=-3.375, p<.05$) as the stated hypothesis is rejected which suggest that there is significant difference seen on design layout on the basis of gender.

Additionally table shows that variance ($F=14.699, p<.05$) for the perception on window display of male was significantly different than that of the female hence the impact of gender on window display factor was significant ($t=-2.962, p<.05$) as the stated hypothesis is rejected which suggest that there is significant difference seen on window display on the basis of gender.

8. FINDINGS

Since $p < .001, .003$ and $.001$ is less than chosen significance level $\alpha = 0.05$, we can reject the null hypotheses in all three techniques cases, and concluded that the mean perception for female and male customers is significantly different.

Based on the results following can be concluded:

There was a significant difference in mean perception between female and male customers ($t_{298} = -3.431, p = .001, t_{298} = -3.375, p = .003, t_{298} = -2.819, p = .001$ for store ambiance, design layout and window display respectively)

The average perception for male customers was .001 point more than female in case of store ambiance technique; .003 point is more for male customers than female customers in case of design layout and finally for window display technique the perception of male customers is .005 is more than female customers.

9. DISCUSSION AND CONCLUSIONS

The past studies indicates that visual merchandising techniques are very important form the retailers' point of view. Retailers apply these techniques on stores to make them attractive and to allure customers. Few researches indicate that customers also get benefitted by saving the time with the help of these techniques and also these techniques help customers while shopping. The study shows that most of the respondents are agreed that these techniques are useful and assist them while making purchase decision. Hence it can be concluded that these techniques are very important to make the buying decision of customers.

The study only considers three techniques of visual merchandising techniques to conclude the results. First considered technique was store ambiance which includes fragrance in the store, music in the store, personnel behaviour and assistance. The second technique was the design layout which combines the design of the store, passage in the store, indicator in

the store, themes used in the store, in-store form shelves and display design in the store. Last technique was the window display which combines display feature, mannequin, and posters. These techniques are generally used by the retailers in the malls and super markets to increase the footfall in turn to increase the sales volume.

The objective was achieved with the help of three hypotheses with the help of t-test analysis. The results of t-test indicated that the perception of males and females on all the three techniques have different. In other words, male customers and female customers perceive these techniques differently.

Implication and Suggestions

- ❖ The findings of the study can help the retailers and shopkeepers to work out on the area of visual merchandising technique to make effective arrangements in their stores. Retailers can improve the store ambiance, design layout and window display by implementing various arrangements.
- ❖ Present study can be the basis for other researchers to conduct the study in different regions.

- ❖ Furthermore, the present study attempts to enhance the existing knowledge base in the area of visual merchandising techniques in the retail sector, as there have been very few studies within the context in Indore that have studied perception of male and female customers.

Limitations

- ❖ One of the limitations of the present study is that the data collection was restricted to only one city. It is suggested that in order to generalize the findings to the visual merchandising techniques in Madhya Pradesh, the study should be expanded to include other cities as well.
- ❖ The literature indicates that individual characteristics affect perception towards visual merchandising while in the present study only one demographic variable i.e. gender is used for analysis, this was not adequate to make conclusions with respect to demographic variables. Future studies could be conducted to consider other demographic variables.
- ❖ The study is time bound.

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