Visual Merchandising and Impulsive Purchase Tendency: An Empirical Study of Consumers In Apparel Sector

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Abstract

Purpose

This study intends to investigate the impact of four elements of visual merchandising namely window display, mannequin display as well as floor merchandising and promotional signage on impulse buying behaviour of customers in apparel sector.

Methodology

The respondents of the given study constitutes 200 customers from Varanasi. The responses were collected online via Google forms since offline collection was not suitable due to Covid 19 norms.

Findings

The study revealed that all four elements of visual merchandising exert a significant influence on the impulse buying behaviour of customers in apparel sector. Promotional signage has the highest impact followed by window display, floor merchandising and mannequin display.

Value

Visual merchandising influence closely impulse buying. And given the importance of impulse purchase in retailers' sales revenue, it becomes relevant to understand the impact of visual merchandising on impulse buying tendency.

Keywords: Floor merchandising, Impulse buying, promotional signage, Visual merchandising, window display.

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Introduction

Impulse buying represents a unique and fascinating aspect of consumer buying behaviour. Impulse buying is a mystery of consumer minds manifested as deviation from standard buying process where spontaneity replaces rationality. Impulse buying can be explained as a purchase which is not planned, outturn of an exposure to stimuli and decision to buy is instantaneous.

Impulse buying is an immediate, captivating, hedonically complex purchase where the rapidity of decision excludes any room for thoughtful deliberation of alternatives (*Kacen, 2002*). Earlier researches have proven that almost 90 percent of people impulse purchase occasionally and 30-50 percent of purchase can be classified as impulse by consumers themselves (*Bellenger et al, 1978*).

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Visual merchandising creates the 'first impression' of store and the layout, ambience and designs determine the probability of consumer inclination towards purchase. Visual merchandising is continuous selling through visual medium which ranges from window display to interior display including promotional signage (Mills et al, 1995). Visual merchandising as the name suggests is 'selling by showing'; it showcases the store in such an inviting way that consumers are drawn to the store for exploring. Visual merchandising not merely brings

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customers to the store but also ensures their effective engagement that eventually results into sales and revenue. An attractive window display and convenient floor merchandising is continuous advertising. Visual merchandising has now become a prominent tool to establish edge over the competitors and get advantage (Christiaans et al. 2009).

Literature Review

The past few decades have witnessed a constant debate on the 'impulsivity' and 'rationality' of human mind while making a purchase decision, the researchers and academicians have paid constant efforts to explore new facets of impulse buying behaviour. Impulse buying is a 'stimuli driven' behaviour (Rook, 1987) affected by both internal as well as external factors (Wansink, 1994). The internal factors are more individualistic in nature, comprising of emotional states, personality traits and normative evaluation of consumers (Kacen et al., 2002), which are beyond the direct control of the marketers. The external factors are controllable and manipulated to attract the attention of the consumers (Youn et al, 2000). Visual merchandise is one of the most crucial external cues of impulse buying (Dawson et al., 2009). Visual merchandise refers to the effective presentation of merchandise, in an appealing way, in order to attract the attention of the consumers and turn them into potential buyers (Kim, 2003; Jain, 2012; & Mehta et al, 2013). Retailers have successfully used visual merchandise in an effective manner to create a unique brand identity (Law et al., 2010) and communicate the brand image to the target audience (Park et.al, 2014). Besides this, it also makes shopping effortless by reducing the work of salesperson in showcasing the merchandise. Bhalla et al (2010) has rightly said that visual merchandise is a 'silent salesperson'. From consumers' point of view, some consider visual merchandise as a tool to subconsciously create attention and desirability to evaluate the product, whereas some perceive it as aesthetical decorating of the stores (Cant et al., 2014). Visual merchandise is 'everything that we see' in a store, including the exteriors as well as the interiors of the store. Retails pay much effort in designing this atmospheric stimulus through window displays, interior displays, mannequins, floor merchandise, product shelf presentation, promotional signage, shop brand name,

etc. (Köktürk, 2012; Kim, 2003; Karbasivar et al., 2011; Bhatti et al., 2013; Bashar et al., 2020 and Mehta et al., 2013). Studies suggest that a consumer spends merely three to five seconds of his attention on visual merchandise. Hence, designing the visual merchandise is a challenging task for the retailers, as they must convey their message to the audience within a very short period (Jain, 2012).

Few literatures aimed towards investigating the impact of antecedents of visual merchandise on impulse buying behaviour in apparel sector. Mehta et. al (2013) performed a study to investigate the effects of the elements of visual merchandising on impulse buying of apparel purchase in Ahmedabad city of India. It was found that window display, mannequin display and promotional signage were significant factors affecting impulse buying. Kim (2003) investigated the impact of inside-store display, floor merchandise elements along with promotional signage and widow display on apparel impulse buying among college students and revealed that in-store display and promotional signage are significant factors affecting impulse purchase. Karbasivar et al. (2011) performed a study among apparel consumers of Iran and revealed that window display, credit card, free products and cash discounts were significant factors affecting impulse buying. A similar study was conducted in Jakarta by Widyastuti (2018) and it was revealed that visual merchandise (measured by window display, mannequin display, floor merchandise and assortment) had a significant affect on impulse buying. Dash et al. (2016) found store layout, mannequin display and promotional signage as significant factors of apparel impulse buying. As per Gudonaviciene et al. (2015) in-store design, window display, store layout, promotional signage and atmosphere were significant factors of clothing and footwear impulse purchase.

Bhatti et al. (2013) investigated the outcomes of visual merchandising and shop brand name on impulse buying in retail sector of Pakistan. Forum display was found to be a negative factor affecting impulse buying and window display, floor merchandise and shop brand name were positive factors affecting impulse buying. In a study performed by Bashar et al. (2012) on retail merchandise, it was found that mannequin display and promotional signage were significant factors of impulse

buying. Studies conducted on furniture impulse purchase also proved that window display, store front display, store layout and creative style were significant factors (*Mehta et al.*,2014). Edwards et al ,1992 concluded that up to as much as 90 percent cues given by environment care perceived by sight.

Significance Of Study:

Exploring the impulsive buying behaviour of young consumers in Indian context gains significance as sixty five percent of Indian population is below the age of 35 years (Census 2011). As the major portion of Indian market constitutes of young consumers, understanding their buying tendencies become relevant for both the marketers and academicians. Studies have revealed that young consumers are more adaptable towards risk taking (Dayan et al., 2004).

Past researches have significantly proved the influence of visual merchandise on consumer purchase behaviour (Kerfoot et al., 2003, Cant et al., 2014 and Jain et al., 2012), consumer satisfaction (Spies, 1997), consumer attitude, intention to purchase, (Park et al, 2014) brand recognition (Kerfoot et al, 2003) and impulse buying behaviour in various retail sectors (Kim, 2003; Mehta et al. 2013: Köktürk. 2012: Karbasiyar et al.. 2011: Bhatti et al., 2013; Bashar et al., 2020; Gudonaviciene et al, 2015), there still prevails a gap in the eastern literatures which is yet to be explored. As per Law et al., (2010) the outcome of effectiveness of visual merchandise is affected by cultural differences, and hence, a need arises to investigate the effect of various components of impulse buying in the eastern context. After an extensive review of the extant literatures, the impact of four elements of visual merchandise on impulse buying behaviour is studied in the present research work.

Objectives of Study:

The primary purpose of this study is to reveal the element of visual merchandising which influence the consumers the most while making impulse purchases. An extensive review of literature has asserted the significance of visual merchandising as a trigger of impulse purchase. The importance of visual merchandising in organized store setting is attaining more and more importance. A seemingly simple layout and product display are planned strategically so as to grasp maximum attention of consumers.

The presented study strives to study the impact of visual merchandising on impulse buying tendency. The study has targeted four aspects of visual merchandising viz., window display, mannequin display, floor merchandising and promotional signage.

- To study the impact of window displays on consumer impulse buying behaviour
- To assess the impact of mannequin display on impulse buying behaviour
- To examine the impact of floor merchandising on impulse buying behaviour
- To investigate the impact of promotional signage on impulse buying behaviour.

Research Model:

Figure 1 explains the theoretical framework of the study where window display, mannequin display, floor merchandising and promotional signage are taken as independent variables and impulse buying is taken dependent variable. The following alternative hypotheses are framed:

- H1. Window display impacts impulse buying behaviour
- H2. Mannequin display impacts impulse buying behaviour
- H3. Floor merchandising impacts impulse buying behaviour
- H4. Promotional signage impacts impulse buying behaviour.



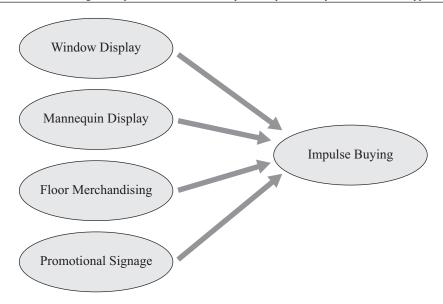


Figure. 1: Framework of the study

Methodology:

Sample Characteristics

The sample group of given research was selected from the city of Varanasi. Convenience sampling was undertaken. The responses were selected through Google forms. In liner regression the number of minimum sample size should be calculated as 50+8 where 'm' stands for number of predictors (Green, 1991). It the given study there are four predictor variables thus the minimum sample size pegged to 82. The sample size is taken as 201 consumers in Varanasi, Uttar Pradesh. The participants of study consisted of 111 females and 90 males. Their ages ranged from 18 to 35 years old.

Measurement Development:

The questionnaire was developed and adopted from review of literature. This paper has adopted the theoretical scales of Mehta et al. (2013) and Chang et al. (2014). The first part of research questionnaire collected details about demographic variables. The second part consisted of questions based on 5 point Likert scale ranging from 1 as strongly agree to 5 as strongly disagree. It included 19 items related with impulse buying and visual merchandising variables viz. window display, floor merchandising, mannequin display and promotional signage.

Data Analysis:

Statistical Packages for Social Sciences (SPSS) software was employed to analyse the collected data. Multiple regression analysis was used to study the impact of consumer impulsive buying behaviour is taken as dependent variable and the four aspects of visual merchandising are included as the independent variables. Correlation between consumer impulse buying tendency and each of four visual merchandising aspects was tested by employing Pearson correlation test.

Results of Test:

Reliability Analysis

The reliability and internal consistency of the factors were calculated by employing cronbach alpha. The cronbach alpha of each factors are as following: Window Display – 0.76, Mannequin Display-0.79, Floor Merchandising-0.70 and Promotional Signage-0.70. All the values are above 0.70.

Test of Normality of Distribution

Normality being a basic assumption in regression analysis is assured in this research as well. The value of skewness ranged from -0.40 to 0.81 and kurtosis from -0.32 to 1.25. As per Hair (2010) and Byrne (2010) , +_ of



skewness and +_ of kurtosis are considered to be normally distributed data. Moreover, skewness value less than 3 and kurtosis value less than 10 are also considered normality according to Bling (2005).

Test of Autocorrelation

Durbin – Watson statistics was employed to check the serial correlation problem. The value of Durbin – Watson was 1.84 i.e., less than 2. Thus, we can conclude that the collected data was free form auto correlation (Gujrati, 2003).

Test of Multicollinearity

To ensure that the variables are not highly correlated

Variance Inflation Factor (V.I.F.) was undertaken. The value of V.I.F ranged from 1.28 to 1.34, all being below 5. Thus the selected variables are not highly correlated (Daoud, 2009).

Hypotheses Testing

Multiple regression analysis was undertaken in order to validate the hypotheses. Impulse buying behaviour is chosen as dependent variable and window display, mannequin display, floor merchandising and promotional signage as independent variables. All four variables came out to be significant at 0.01 i.e., 1 % level of significance.

Table 1: Result of multiple regression

Model	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.*
	В	Std. Error	Beta		
(Constant)	4.411	1.190		3.706	.000
Window Display	.237	.079	.196	3.008	.003
Mannequin Display	.176	.064	.179	2.736	.007
Floor Merchandising	.248	.090	.182	2.742	.007
Promotional Signage	.323	.077	.274	4.206	.000

^{*}at 1% level of significance (p-value 0.01) Authors' Computation using SPSS

Table 2- Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1.	596ª	.356	.342	3.04838	1.840

a. Predictors: (Constant), PS, MD, WD, FM

Table shows the value of R square is 0.356. This implies that the independent variables together explain 36 % of the variance in impulse buying behaviour.

The value of R square is 0.36 which implies that 36% of times data fits well in to the model.



b. Dependent Variable: 1B

Table 3- Hypotheses and Conclusion with p-value from regression analysis

Hypothesis	p-value	Result	Conclusion
H1	0.003	Significant	Alternate hypothesis accepted. Window display positively influence impulse buying behaviour
H2	0.007	Significant	Alternate hypothesis accepted. Mannequin display positively influence impulse buying behaviour
НЗ	0.007	Significant	Alternate hypothesis accepted. Floor merchandising positively influence impulse buying behaviour
H4	0.000	Significant	Alternate hypothesis accepted. Promotional signage positively influence impulse buying behaviour

Source - Authors' Compilation

Discussions and Conclusions:

The findings of this research would contribute towards the literature building. The results of this study confirmed with the available literature on the significance of visual merchandising on impulse buying behaviour.

The study concluded on promotional signage to be the most significant factor when it arrived to influence on impulse buying behaviour. The monetary value payable by consumers rules to be the most influential factors affecting impulsive buying. Lower prices increase value of product for customers (Chen et al., 2012). Pricing influence significantly customers purchase intention (Alford et al., 2002. Biswa et al 2002). Higher product value in customers' eye leads to higher possibility of impulse buying. Therefore, Price continues to be one of the most crucial factors in determining buying tendency.

Window display emerged as the second most important factor effecting impulse buying behaviour. Customers are attracted to enter the store by eye catching window display and often decide what to purchase after browsing through eye catching store layout (Malika R, 2012).

The study highlighted the aspects of visual merchandising significantly impacting impulsive buying behaviour (Maoyery et al, 2014, Sahni et al, 2014).

Managerial Implications

The findings of this study would assist the marketers in understanding the impact of visual merchandising elements on impulse buying behaviour. It would help the retailers to maximize the utilization of space strategically based on the triggering elements so as to attract more customer attention. It would help them communicate better with potential customers by improving upon the internal and external store display and maximize the benefits of silent seller. Visual merchandising has thus merged to be an important corner stone in the success or failure of the apparel store (Hubrechts & Kokturk, 2012).

Visual merchandising guides the customers to make purchases (Cant, 2013) and there exists a positive relationship between visual merchandising and customer buying (Singh, 2015). Understanding the impact of visual merchandising thus becomes a necessity to understand consumer behaviour and maximizing sales. This study would add to the exiting literature on visual merchandising and assist future researchers in further comprehending the subject.

Limitations of Study and Scope for Further Research:

The study contains several implications and importance for understanding visual merchandising nevertheless, certain limitations do exist simultaneously. Small sample consideration and geographical restraints is there since data has been collected from Varanasi only.



Future studies can be conducted by taking different product category and larger sample size. Comparative studies can also be drawn amongst different age groups, income groups, gender, cross culture etc.

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