

# VISUAL MERCHANDISING DISPLAYS AND EFFECT ON RETAIL CUSTOMERS

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## **Abstract**

***Most of the times Customers think that they purchased only the products that they shopped. But often they also purchase the experience of shopping along with the products that they bought. This experience of shopping is highly influenced by the visual merchandising displays used in the store. This displays means the feature areas where the merchandise is presented. There are plenty of research that is already done on the effect that visual merchandising has on consumer behaviour. This paper throws special attention to the visual merchandising displays used in retail apparel stores and the capability of it to increase retail shoppability. The way merchandise is displayed and promoted in apparel retail stores can have vast impact on the responses of the consumer and can affect the overall sales of the store. The main research question addressed in this paper is the effect of visual merchandising displays on consumer behaviour. For this qualitative data was collected from focus groups and naïve sketches were used to support the findings. The data was analysed using thematic analysis. The findings indicated that the displays guided the consumers and influenced them subconsciously.***

***Keywords: Visual Merchandising displays, Retail Industry, Retail shoppability, apparel retailers, consumer behaviour***

## **INTRODUCTION**

Successful visual merchandising displays have an effect on consumer emotion; consumers sometimes purchase products unconsciously depending on their current mood. Therefore, consumers might visit a retailer to enjoy a mood-changing experience, something that will make them feel good. Apparel retailers can therefore take advantage of this human emotion to increase their sales by merely enhancing the store environment. Retail industry is a kind of business with high level of competition. The success of retail business is influenced by its fast response and its ability to understand consumers behaviors.

Retailers want their stores to attract consumers by assisting them to find the merchandise they desire and to motivate them to make planned, unplanned and impulse purchases, and to ultimately provide them with enjoyable shopping experiences (Levi & Weitz, 2009: 509). If the visual merchandising displays do not have this desired effect on consumers, then the visual merchandising costs become a burden to the retailer. This study proceeds from a consumer response-centred approach to visual merchandising stimuli in an attempt to holistically consider this area of the retail industry. The study was centred in the apparel stores in Cochin and therefore can benefit the retailers in that locality.

## REVIEW OF LITERATURE

### Consumer Behaviour

The world consumers live in is rich with ambiance. When entering an apparel retail store, consumers act differently to the sensations and stimuli around them; they either pay attention to it or they ignore it. Each and every message created by an apparel retailer is done with a specific purpose in mind. However, consumers transpire to make their own decisions by adapting the message that is created by certain sensations or stimuli (such as visual merchandising displays) to fit in with their own unique experiences, desires and prejudices (Cant, Brink & Brijball, 2006: 114).

Consumer behaviour can be defined as "the study of individuals, groups or organisations and the processes they use to select, secure, use and dispose off products, services, experiences, or ideas to satisfy needs and the impact that these processes have on the consumer and society..." (Cant, Van Heerden & Ngambi, 2010: 51).

Kardes, Cline and Cronley (2011: 8) added to this definition by stating that consumer behaviour also includes the consumers' expressive, psychological and social responses that lead, establish or follow these responses.

An expressive response reveals a consumer's passions, feelings and their frame of mind. Furthermore, it also refers to psychological responses that consist of consumer's thought processes, judgments, attitudes and values and could include a consumer's feeling toward a specific apparel retail store. A retailer's store environment could also influence the consumer's purchase decision, which is discussed below.

For example, if a consumer wants to buy a new winter's coat, both pleasure and indecision may form a part of his/her expressive response due to the various decisions that have to be made. The consumer will have to decide on a specific product, store, brand, style and colour, as well as on payment method. As far as responses is considered the consumer could imagine wearing the coat, making a psychological list of characteristics the coat should have in order to enhance the decision-making process. The social responses, include a consumer's obvious actions during a purchase decision. The consumer will start by comparing different stores and brands with one another, paying attention to different advertisements, trying on different coats, and obtaining opinions from friends or family. If he is not completely satisfied with the store environment, he/she might make a psychological choice not to enter the store, therefore deciding not to purchase the coat from that specific store. All of these actions could have an influence on the way consumers behave. Apparel retailers have to establish how their visual merchandising displays will be perceived by the consumers. It is essential to identify what consumers are actually seeing and how they interpret it. By establishing how visual merchandising displays are perceived by the consumers, it could benefit apparel retailers to align the internal focus of their visual merchandising displays with the consumers expectations.

### Visual Merchandising Displays

Visual merchandising display is the presentation of merchandise at its finest. Display is the glamour, the spark, the stage, the oomph and sparkle that surrounds a store and makes the consumers stop, look, and buy what has been placed together with care and presented with skill (Mathew, 2008: 48).

These displays are also known as feature areas.

Visual merchandising displays use creative techniques in order to save both the sales person's and the shopper's time by making shopping effortless. The visual merchandising display process is often referred to as the "silent sales person" by providing the consumers with information through visual mediums, as well as by suggestive selling - suggestions to add items to a consumer's original purchase (Bhalla & Anuraag, 2010: 21). This process is often referred to as the visual merchandising communication process. A great deal of communication between the retailer and the consumer takes place through the use of visual merchandising displays. The retailer communicates to the consumer by means of their store, the store's interior design, layout, atmospherics and merchandising displays, as shown in Figure 1.

Visual merchandising displays are frequently used to introduce new products or brand extensions to consumers, as well as to decorate a store or to highlight seasonal trends. This is a planned and systematic approach to display the stock that is available in the store. Visual merchandising displays perform different functions in an apparel retail outlet, such as supporting sales, to support the retail strategies, to communicate with consumers and to assist in communicating the fashion retailer's brand image (Levi & Weitz, 2009: 531; Bell & Turnus, 2008: 20-22).

Displaying merchandise in windows was the first sign of visual merchandising displays, thus it was born to increase sales by first attracting shoppers through the power of window displays and then through in-store visual merchandising displays. These displays encouraged the consumers to remain in

the store, purchase the product, and have a positive retail experience in order for them to return to the same store.

Retailers realise that the way in which they use visual merchandising displays has the power to create images of the products in the mind of consumers. Visual merchandising displays are now a significant tool for retailers in order to attract and entice consumers.

### **Retail Shoppability**

Raymond R. Burke and Alex Leykin (2007) well explained the retail shoppability as the ability of the retail environment to translate consumer demand into purchase with the various determinants for it as store layout, navigation, product profilation and presentation, defining the shopping attitude i.e intentions for store entry and purchase but retailers (often mistakenly) believe stocking more products means selling more products. This has led to an explosion in the number of products available in many retail channels. Clarifying aforesaid Wysocki (1979); Stevens (1980) stated retailer have claimed that they have influenced customer's buying behavior by manipulating store atmospheric via layout, color, lighting and music. Store atmospheric attributes such as color, lighting, interior decoration or music form the overall context within which shoppers make store selection and patronage decisions, and are likely to have a significant impact on store image. Selection of a specific retail outlet involves a comparison of the available alternative outlets on the evaluative criteria of a consumer. Literature suggests a range of such criteria, which makes it a challenging task from the retailers' point of view and makes store choice a matter of concern to retailers. According to Lindquist (1974), store image consists of a combination of

tangible (or functional) and intangible (or psychological) factors that consumers perceive to be found in retail stores. Consumers use store image as an evaluative criterion in the decision-making process of selecting a retail outlet (Varley, 2005). Store attributes refer to the underlying components of a store image dimension (like merchandise, physical facilities, services, atmospherics and so on). Research on store image has yielded a large number of attributes (Martineau, 1958; James et al, 1976; Peter and Olson, 1990). Store image has been found to be linked to store loyalty and patronage decisions (Assael, 1992; Wong and Yu, 2003). Store Atmospheric as an important part of the overall merchandising strategy (Kotler 1973; Markin, et al 1976). Kotler defines atmospheric as "the effort to design buying environment to produce specific emotional effect in the buyer that enhance his purchase probability" Kotler (1973) suggest using atmospheric as a competitive tool in an attract and maintain a specific target market especially where product and price differences are nominal.

### **Indian Apparel Retailing**

Apparel is the second largest category in the Indian Retail Business. It is predicted to grow by 12 to 15% every year. Accelerated development of the retail industry in the country and building brand value of domestic products is essential not only for marketing the consumer products more efficiently, but also for the development of the retail industry.

### **RESEARCH METHODOLOGY**

The extent to which visual merchandising displays affect consumer behaviour was studied by means of exploratory research. Exploratory research is used to observe insights into the common nature of a research problem (Tustin, Lighthelp & Martins, 2005: 84). Due

to the fact that detailed explanations, in terms of consumer perceptions, were needed, qualitative research was used because it discovers the true significance and new insights about the available data (Zikmund & Babin, 2010: 131).

Non-probability, purposive sampling was used where the samples were grouped in a process that did not give all the individuals in the population an equal chance of being selected (Tustin et al., 2005: 89). Participants were selected on the basis of their accessibility and by the purposive personal judgment of the researcher (Zikmund & Babin, 2010: 432). The inclusion criteria for the purposive sampling for this research study were people who are located in Cochin and buy clothing from apparel retail outlets in Cochin; people who read, speak and understand English; people who have a cell phone and have access to e-mail; people who are willing and have time to participate in the study.

The first round of data was collected by means of two focus groups, each with eight participants. Naïve sketches were used as a secondary measure to validate the data received in the focus groups. The naïve sketches comprised of open-ended questions. In this way, two forms of data were compared with one another to gain the most data possible from each participant.

The focus groups were based on the use of visual stimulus material. Photographs from one of Cochins most popular apparel retail store (Lulu fashion) were presented to the participants in the focus groups. The participants were asked a question derived from the research aim. The question used to structure the focus groups (the same question was also used in the naïve sketches) was: "Do the visual merchandising displays of a store effect your decision to make a purchase?"

Due to the fact that the study was contextual in nature, thematic analysis was used to analyse the gathered data. Repeated data patterns were identified and sorted into themes and categories (Tesch, 1990: 113). By following this process, it organises and describes data in detail (Braun & Clarke, 2006: 82).

## RESULTS

The outcome (findings) of the question asked in the focus groups is examined in terms of a theme and its underlying categories, as outlined by Tesch's model (thematic analysis).

Theme: Participants expressed varied views in terms of the effect that visual merchandising displays has on their buying decisions based on personal preferences.

The theme connects with the following objective: To determine the effect of visual merchandising displays on consumer behaviour. The participants explained that their buying behaviour is influenced to a limited extent. They continued to say that the visual merchandising displays guide them in the direction of the products they are seeking and that it guides their product choice. The participants agreed that their buying behaviour is influenced on a subliminal level based on the quality of the visual merchandising displays and their personal preferences, including gender.

...there is a distinction between men shoppers and women shoppers because mostly here the men said they don't really notice it; however, the women agreed that if it's in a context of what they want they do notice.

The following three categories emerged from the theme:

**First Category** – The Participants Agreed That Their Buying Behaviour Is

Influenced To A Limited Extent

**Second Category** – Buying Behaviour Is Influenced On A Subliminal Level Based On The Quality Of the Visual Merchandising Displays

**Third Category** - Buying Behaviour Is Influenced On A Subliminal Level Based On The Personal Preferences Of The Consumer, Including Gender

The first category comprises the members of the focus groups who found that visual merchandising displays aid in the final stages of decision-making regarding the purchasing of a specific product. However, there are other factors, like price, that affect the final decision. When visual merchandising displays are well designed and logical, the participants tended to be attracted to the section of products that were emphasised in the display. This illustrates that visual merchandising displays influence buying behaviour. The following quotations were taken from the data to exemplify the findings:

*I think it influences me to want it, but I don't necessarily buy it.*

*...it draws me towards the section that has attractively displayed items*

*If I am happy with the visual merchandising display, that can lead to me buying the specific product.*

The second category of respondents agreed that a visual merchandising display that is perceived to be of a superior quality has the ability to capture the positive buying behaviour of the consumer. However, if the display does not register as that of a superior quality for the consumer, it may create a negative perception of buying the product. The following quotation validates this category:

*Good visual merchandising displays will*

*create the right atmosphere and context for me to buy, while bad visual merchandising displays will work against my purchasing the product in question.*

The third category of respondents felt that if the displays are well designed and logical the visual merchandising displays are useful in promoting certain products, but there are so many other personal preferences to take into account for the displays to have a lasting effect on every consumer and lead to a buying decision. They are colours, textures, styles, décor, sizes, budgetary constraints and a host of other personal preferences that will affect the buying behaviour of the consumer more than the visual merchandising display. The following quotations were taken from the focus groups to illustrate this category:

*...if I was a shopper, per se, I don't think I would notice it; it would still be one of those things that I would notice if it was not attractively displayed...*

## **DISCUSSION AND CONCLUSION**

The participants perceptions of the impact of visual merchandising displays on their buying behaviour varied, as evidenced by their attention or lack of interest to visual merchandising displays when they first walked into a store. Consumer behaviour is influenced by a limited extent as visual merchandising displays guide consumers in the direction of the products as well as in product choice. Consumer behaviour will also be influenced by their personal preferences and the quality of the displays. What is noticed by the consumers, in terms of the visual merchandising displays, is mostly subliminal (below the threshold of consciousness) and it is influenced by personal preferences, contextual aspects, such as themes; type of store and brand or branding; gender, to some extent; quality

of the visual merchandising and sensory and cognitive aspects.

It was noted in the focus groups that the consumers' attention is drawn to certain aspects of visual merchandising displays (such as colour and convenient space in the store) which creates a space where their shopping experience can be positive. The participants tended to be attracted to visual merchandising displays that are well designed and logical. This illustrates that visual merchandising displays influence buying behaviour.

The research study suggests that women are more attentive to the complete retail experience which includes visual merchandising displays. In comparison, men search for signs in a store as to where to find what they are looking for. So it can be said that in the marketing of women apparels visual merchandising displays can be used as an effective too to boost sales in retail stores. The focus groups also explained that they notice ill-fitting themes in apparel retail stores, in terms of whether the items displayed are actually available in store or whether it sends the correct message complemented with the display.

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**Figure 1: Visual Merchandising Communication Process**

Source: Adapted from Bell, J. & Ternus, K (2006). *Silent selling*. 3rd ed., New York: Fairchild Publications, p. 21

