ABSTRACT

The current scenario of retailing is characterized by huge cut throat competition and almost undifferentiated merchandise on sales. Today retailers are utilizing visual merchandising to differentiate their offerings from others’ as well as to improve the visibility and desirability of products. Too many researches have been performed for defining and measuring the concept. The various factors which affect impulse buying have not been determined much.

The purpose of this research is to examine the relationship between consumer impulse buying behaviors and visual merchandising. Efforts have also been employed to understand the visual merchandising technique that influences the consumers at most. This study also intends to provide information on why visual merchandising should be considered an important component of a strategic marketing plan in support of sales increase and positive store/company image. The finding of the current study reveals that there is a very strong association between consumer impulse buying behaviors and two types of visual merchandising practices: instore form/mannequin display and promotional signage. This study also provides insights to retailers about types of visual merchandising that can influence consumers’ impulse buying behaviors.

KEY WORDS: Impulse Buying Behavior, Visual Merchandising, Consumer Buying Behavior, Promotional Strategies, Purchase Behavior

INTRODUCTION

The cut throat stiff competition and the similarity of merchandise in today’s retailing scenario force almost each segment of the retail industry to utilize visual merchandising to improve the visibility and desirability of products. Fashion retailers in general and apparel retailers in particular pay more importance on visual merchandising to differentiate their offerings from others’. It has been found by many researchers that impulse buyers usually do not set out with the specific purpose of visiting a certain store and purchasing a certain item; the behavior occurs after experiencing an urge to buy (Beatty & Ferrell, 1998), and such behaviors are influenced by internal states and environmental/external factors.

Impulse buying is a sudden, compelling, hedonically complex purchase behavior in which the rapidity of the impulse purchase decision precludes any thoughtful, deliberate consideration of alternatives (Kacen, 2002). The speed of purchase decision prevents from any thoughts, considerations and studying other options or alternatives. Rook (1995) defines an impulse buying as follows: when a consumer experiences a sudden, often powerful, and persistent urge to buy something immediately. The impulse to buy is hedonically complex and may stimulate emotional conflicts.

Findings of earlier research works have shown that impulse buying accounts for substantial sales across a broad range of product categories (Bellenger, Robertson & Hirschman, 1978; Cobb & Hoyer, 1986; Han, Morgan, Kotzopulos, & Kang-Park, 1991; Kollat & Willet, 1967; Rook & Fisher, 1995; Weinberg & Gottwald, 1982). Since impulse buying is a pervasive aspect of consumers’ behaviors and a focal point for strategic marketing plans (Rook, 1987), it is worthwhile for retailers to understand factors within the retail setting that trigger consumers’ impulsive reactions. Retailers can help
customers to find the right products through focused merchandising, intelligent store design and layout, and other visual merchandising practices, such as product displays, packaging, and signage (Abrams, 1996; Baker, Grewal & Levy, 1992).

**Purpose of the Study**

The behavior of consumers and their involvement in retail stores have gained significant importance from marketers as they have growing purchasing power; their money attitude also has been changing with relatively easy access to credit cards. Therefore, the consumer behavior of retail consumer in conjunction with visual merchandising is worth to be researched. Retailers very minutely observe the consumers and try to figure out the variables that influence shoppers’ impulse buying cues and decisions, with the help of strategic marketing and merchandising activities retailers attempt to control these influencing variables. Based on the literature review, it is reasonable to expect that visual merchandising, a common external factor that encourages consumers’ urge to buy, can affect consumers’ impulse buying decisions.

The purpose of this research is to examine the relationship between consumer impulse buying behaviors and common external factors that trigger impulse buying. The external factors that the current study wills examine are the various attributes that are likely to be encountered in many retailing contexts, such as visual merchandising. The research, therefore, will focus on effects of four types of visual merchandising on impulse buying behavior. The types of visual merchandising used as predictors in this study are window display, in-store form/mannequin display, floor merchandising and promotional signage.

**Rationale of the Study**

The recent dramatic increase in competition forces, the retailers strive to ensure that their stores are having credibility to attract target markets and convert their footfalls. The retailers are facing difficulty of differentiation and it becomes really very problematic to create a advantage with the help of merchandise alone, the retail store itself plays an important role for market differentiation. The correlation between consumers’ beliefs about the physical attractiveness of a store and patronage intentions (Darden, Erdem, & Darden, 1983) suggests that the visual aspect of the store may be significant in relation to the consumers’ choice of a store and buying behavior. Since many retailers use visual presentation of the store/company’s offering in order to encourage customers’ buying behaviors, this fact was expected to be found in the consumer and marketing literature.

The available research literature does not emphasizes much on the current subject of research i.e. impact of visual merchandising on consumer impulsive buying behavior. The first and foremost consideration for a retailer is to put its first impressions and appearance in such a way so that consumer will get attracted towards store. Consumer’s decision whether or not to enter the store is being characterized by store image, then store window displays. However, more research works have been done entirely related to the in-store merchandise placement and shelf management. Promotional strategies which employed display communications of various nature that frequently happen to affects consumers impulse buying behavior, are not given due consideration (Fernie, 1996; Fernie & Fernie, 1997).

Buttle (1988) referred to visual merchandising as a neglected area in fashion marketing research. This neglect does not signify that this area is unworthy of academic research, but may indicate that since visual merchandising concerns perceptions of creativity, an area which is difficult to test; researchers may have difficulty in analyzing it meaningfully and gaining the important insights. Therefore, this study will provide information on why visual merchandising should be considered as an important component of a strategic marketing plan in support of revenue increase and creating positive store/company image. This study will also provide understanding to retailers about most effective types of visual merchandising techniques that may influence consumers’ impulse buying behaviors.
Literature Review

“Impulse buying has been considered a pervasive and distinctive phenomenon in the American lifestyle and has been receiving increasing attention from consumer researchers and theorists (Youn & Faber, 2000, p.179)”.

Despite the negative aspects of the impulse buying behavior from past research, defining impulsive behavior as an irrational behavior (Ainslie, 1975; Levy, 1976; Rook & Fisher, 1995; Solnick, Kannenberg, Eckeram, & Waller, 1980), resulting from a lack of behavioral control (Levy, 1976; Solnick et al., 1980), impulse purchases account for substantial sales across a broad range of product categories (Bellenger et al., 1978; Cobb & Hoyer, 1986; Han, Morgan, Kotsiopulos, & Kang-Park, 1991; Kollat & Willet, 1967; Rook & Fisher, 1995; Weinberg & Gottwald, 1982). A study found that impulse purchases represented between 27% and 62% of all department store purchases (Bellenger et al., 1978). Rook and Hoch (1985) assert that most people have experienced an impulse purchase. Other research findings support this assertion revealing almost 90% of respondents have made grocery purchases on impulse occasionally (Welles, 1986), and between 30% and 50% of all purchases can be classified by the buyers themselves as impulse purchases (Bellenger et al., 1978; Cobb & Hoyer, 1986; Han et al., 1991; Kollat & Willett, 1967).

Early studies on impulse buying were more concerned with the definitional issues distinguishing impulse buying from non-impulse buying and attempted to classify the types of impulse buying into one of several sub-categories (Bellenger et al., 1978; Kollat & Willet, 1967; Stern, 1962), rather than to understand impulse buying as a trait of consumer buying behavior. Therefore, this approach generated a theory that ignores the behavioral motivations of impulse buying for a large variety of products and, instead, focuses on a small number of relatively inexpensive products. However, this type of approach did not provide sufficient explanations as to why so many consumers appear to act on their buying impulse so frequently. Therefore, researchers began to re-focus attention on impulse buying behavior and to investigate the behavioral motivations of impulse buying (Cobb & Hoyer, 1986; Hausman, 2000; Piron, 1991; Rook, 1987; Rook & Gardner, 1993; Rook & Fisher, 1995; Weun, Jones, & Betty, 1998).

The pervasiveness of impulse buying, even for relatively expensive products, led researchers to look at impulse buying as an inherent individual trait, rather than a response to inexpensive product offerings (Cobb & Hoyer, 1986; Rook, 1987). Recently, researchers appear to agree that impulse buying involves a hedonic or affective component (Piron, 1991; Puri, 1996; Rook & Fisher, 1995; Wenn et al, 1998). Today’s research suggests that impulse buying behavior is much more complex than previously conceptualized; that this behavior stems from the desire to satisfy multiple needs that underlie many types of buying behavior (Hausman, 2000).

Rook (1987) identified impulse buying behavior with descriptors such as a spontaneous, intense, exciting, urge to buy with the purchaser often ignoring the consequences. While more recent research in this area discusses impulse buying as a trait rather than as a classification of a purchase decision, researchers agree that consumers vary in their impulse-buying tendency (Puri, 1996; Rook & Fisher, 1995). Without having prior information of a new product or intention to purchase a certain item, a consumer is exposed to stimuli, suggesting that a need can be satisfied through the purchase.

Youn and Faber (2000) identify several different types of internal states and environmental/sensory stimuli that serve as cues for triggering impulse buying. Internal cues include respondents’ positive and negative feeling states. Environmental/sensory cues encompass atmospheric cues in retail settings, marketer-controlled cues, and marketing mix stimuli (Youn & Faber, 2000). “Instore browsing is the in-store examination of a retailer’s merchandise for recreational and informational purposes without an immediate intent to buy” (Bloch, Ridgway, & Sharrell, 1989, p.14). Jarboe and McDaniel (1987) found customers who browsed in a store made more unplanned purchases than non-browsers in a
regional mall setting. As a customer browses longer, she/he will tend to encounter more stimuli, which would tend to increase the likelihood of experiencing impulse urges.

This supports Stern’s (1962) conceptualization of impulse buying as a response to the consumer’s exposure to in-store stimuli. Shoppers may actually use a form of in-store planning to finalize their intentions (Rook, 1987).

The store stimuli serves as a type of information aid for those who go to the store without any predetermination of what they need or buy, and once they get into the store, they are reminded or get an idea of what they may need after looking around the store. The more the store stimuli, such as visual merchandising, serves as a shopping aid, the more likely the possibility of a desire or need arising and finally creating an impulse purchase (Han, 1987; Han et al., 1991).

Objectives of Research

1. To find out the impact of window displays on consumer impulse buying decision
2. To investigate the role of in-store form/mannequin display on consumer impulse buying decision
3. To study the relation between floor merchandising and consumer impulse buying decision
4. To investigate the impact of promotional signage on consumer impulse buying decision

Research Hypothesis

H1. Consumers who purchase on impulse are influenced by window displays.
H2. Consumers who purchase on impulse are influenced by in-store form/mannequin display.
H3. Consumers who purchase on impulse are influenced by floor merchandising.
H4. Consumers who purchase on impulse are influenced by promotional signage.

DEFINITION OF VARIABLES

Dependent Variable

The dependent variable of this study was consumer’s impulse buying tendency. Five questions measuring consumer impulse buying tendency were included in the survey. These questions were developed through references to previous studies on impulse buying (Beatty & Ferrel, 1998; Han, 1987; Rook & Hoch, 1985; Weun et al, 1997; Youn & Faber, 2000). Responses were recorded using a five-point Likert scale, which ranged from never=1 to frequently=5.

Independent Variables

Independent variables of this study were four types of visual merchandising: window display, in-store form/mannequin display, floor merchandising, and promotional signage. It was hypothesized that these variables influence shoppers to buy on impulse. Separate questions have been developed with the references of previous studies (Han, 1987; Rook & Fisher, 1995, Beatty & Ferrel, 1998; Han, 1987; Rook & Hoch, 1985; Weun, Jones, & Betty, 1997; Youn & Faber, 2000). A five point likert scale have been used to record the responses of respondents for very merchandising techniques.

METHODOLOGY

Sample

The sample group for this research survey was selected from the region of Delhi & National Capital Region (NCR). Simple random sampling has been employed at selected malls and super markets to get the responses of the respondents.
Sample Size

A sample of 250 respondents has been considered for current study.

Data Collection

Primary data of 250 respondents have been collected with the help of structured questionnaire. The researcher recorded the responses of the respondents at the malls and shopping centre, the respondents were requested to fill the questionnaire, scheduling has also been done in some of the cases.

Data Analysis Methods

Descriptive stats and frequency tables will be generated with the help of Statistical Packages for Social Sciences (SPSS). The Pearson correlation test will be conducted to see the correlations between consumer impulse buying tendency and each of four types of visual merchandising practices. Finally, regression analysis will be conducted for hypothesis testing to find out the relationship between consumer impulse buying tendency (dependent variable) and the four types of visual merchandising (independent variables).

Limitations of the Study

Small sample consideration and geographical constraints as the study is performed in Delhi & NCR only. Also, we considered quantitative data only. The respondents were having time limitations.

Analysis

Descriptive statistics for the sample has been determined in the following Tables, providing information regarding the respondents’ demographical profile, such as age, gender, disposable income, and nature of job.

Table 1: Gender of Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>121</td>
<td>48.4</td>
<td>48.4</td>
<td>48.4</td>
</tr>
<tr>
<td>Female</td>
<td>129</td>
<td>51.6</td>
<td>51.6</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

The above table shows that 48.4% of male and 51.6% female respondents, it shows that more females are making purchasing as compared to men.

Table 2: Age of Respondents

<table>
<thead>
<tr>
<th>Age in years</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>24</td>
<td>9.6</td>
<td>9.6</td>
<td>9.6</td>
</tr>
<tr>
<td>25-32</td>
<td>113</td>
<td>45.2</td>
<td>45.2</td>
<td>54.8</td>
</tr>
<tr>
<td>32-39</td>
<td>88</td>
<td>35.2</td>
<td>35.2</td>
<td>90</td>
</tr>
<tr>
<td>39-46</td>
<td>22</td>
<td>8.8</td>
<td>8.8</td>
<td>98.8</td>
</tr>
<tr>
<td>46 and above</td>
<td>3</td>
<td>1.2</td>
<td>1.2</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>
Majority of respondents are in age group of 25-32 (45.2%) years and 32-39 years (35.2%) both of this age group alone contains around 78% of total respondents. Therefore, it may be concluded that most of the shoppers are in 25-39 years of age.

Table 3: Disposable Income of Respondents

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 5000</td>
<td>23</td>
<td>9.2</td>
<td>9.2</td>
<td>9.2</td>
</tr>
<tr>
<td>5000-10000</td>
<td>101</td>
<td>40.4</td>
<td>40.4</td>
<td>49.6</td>
</tr>
<tr>
<td>10000-15000</td>
<td>84</td>
<td>33.6</td>
<td>33.6</td>
<td>83.2</td>
</tr>
<tr>
<td>15000-20000</td>
<td>39</td>
<td>15.6</td>
<td>15.6</td>
<td>98.8</td>
</tr>
<tr>
<td>20000 and above</td>
<td>3</td>
<td>1.2</td>
<td>1.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Most of the respondents are having disposable income between 5000-15000 (74%).

Table 4: Nature of Jobs of Respondents

<table>
<thead>
<tr>
<th>Valid</th>
<th>Nature of job</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Employee</td>
<td>67</td>
<td>26.8</td>
<td>26.8</td>
<td>26.8</td>
<td></td>
</tr>
<tr>
<td>Private sector</td>
<td>163</td>
<td>65.2</td>
<td>65.2</td>
<td>92.0</td>
<td></td>
</tr>
<tr>
<td>self Employed</td>
<td>20</td>
<td>8.0</td>
<td>8.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Majority of respondents (65.2%) are in private sector jobs.

Table 5: Frequency of Weekly Store Visit

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>once a week</td>
<td>10</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>twice a week</td>
<td>142</td>
<td>56.8</td>
<td>56.8</td>
<td>60.8</td>
</tr>
<tr>
<td>Thrice a week</td>
<td>80</td>
<td>32.0</td>
<td>32.0</td>
<td>92.8</td>
</tr>
<tr>
<td>four times a week</td>
<td>13</td>
<td>5.2</td>
<td>5.2</td>
<td>98.0</td>
</tr>
<tr>
<td>more than four times</td>
<td>5</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Majority of respondents are visiting twice (56.8%) and thrice (32%) a week to the stores.

Testing of Hypothesis

To investigate the correlations between the independent variable and dependent variables Pearson correlation tests were conducted. In addition to the Pearson correlation test, a multiple regression analysis had also been conducted for the hypothesis testing using impulse buying tendency as a dependent variable and each visual merchandising variable as predictors in order to see if there is relationships that were uncovered in a multiple context and to determine the relative importance of the various type of influences on consumer impulse buying behavior.
**Table 6: Correlation with Impulse Buying**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient (r)</th>
<th>Significance (p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Window Display</td>
<td>0.292**</td>
<td>0.000**</td>
</tr>
<tr>
<td>Form/mannequin Display</td>
<td>0.406**</td>
<td>0.000**</td>
</tr>
<tr>
<td>Floor Merchandising</td>
<td>0.286**</td>
<td>0.000**</td>
</tr>
<tr>
<td>Promotional Signage</td>
<td>0.404**</td>
<td>0.000**</td>
</tr>
</tbody>
</table>

**Correlation is significant at p < .001**

The above correlation table shows that there is a strong association between impulse buying of consumer and promotional signage, Form/mannequin Display, while there is a very weak association of Window Display, Floor Merchandising with impulse buying behavior of consumer.

**Table 7: Hypotheses & Conclusion with Determining Coefficients & P-Values From Regression Analysis**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Coefficient (β)</th>
<th>p-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1. Consumers who purchase on impulse are more likely to be influenced by window displays.</td>
<td>0.069</td>
<td>0.281</td>
<td>Although consumer impulse buying behavior and window display are correlated, the directional relationship was not found to be statistically significant.</td>
</tr>
<tr>
<td>H2. Consumers who purchase on impulse are more likely influenced by in-store form/mannequin display.</td>
<td>0.287</td>
<td>0.000**</td>
<td>In-store form/mannequin display significantly influences Consumers impulse buying behavior.</td>
</tr>
<tr>
<td>H3. Consumers who purchase on impulse are more likely influenced by floor merchandising.</td>
<td>0.072</td>
<td>0.249</td>
<td>Although Consumers impulse buying behavior and floor merchandising are correlated, the directional relationship was not found to be statistically significant.</td>
</tr>
<tr>
<td>H4. Consumers who purchase on impulse are more likely influenced by promotional signage.</td>
<td>0.297</td>
<td>0.000**</td>
<td>Promotional signage significantly influences Consumers impulse buying behavior.</td>
</tr>
</tbody>
</table>

**Relationship is significant at p < .001**

**Dependent Variable:** Consumer impulse buying tendency

**Predictors:** Influence of window display, in-store form/mannequin display, floor merchandising and promotional signage on Consumer buying behavior.

**CONCLUSIONS**

This study further investigated some external factors that influence impulse buying behavior. In attempt to examine this relationship, this study primarily tried to explain the relationship between consumer impulse buying behavior and various types of visual merchandising. An important finding of this study was that visual merchandising practices certainly influence consumer impulse buying behavior. The results proved that there were significant relationships between consumer impulse buying behavior and in-store form/mannequin display and promotional signage.

Even though the window display and floor merchandising did not appear to significantly lead to consumer impulse buying behavior, the results still suggested that these variables and consumers’ impulse buying behavior are
significantly correlated. It can be agreed that all four types of visual merchandising (i.e., window display, in-store form/mannequin display, floor merchandising, and promotional signage) are significantly interrelated and that relationship generates the influences on consumers’ impulse buying behavior.

**Future Research Direction**

The impulse buying behavior is the outcome of emotional reactions that generate unprecedented urge to buy. However, it also had been find that fact that it might be influenced by external factors, the type of influence/response is really very difficult to determine with the survey methods of getting consumers response. If consumers were aware of their responses to various situations, the influence of different factors/events could have been directly examined. Therefore, it is highly recommended that combination of quantitative and qualitative research methods (e.g., observational or experimental research methods) should be used in future research to gain more in depth insight into the consumers’ behavior and the factors that motivate them to buy on impulse.

**REFERENCES**


