Visual Merchandizing on Impulse Buying Behaviour of Working Women in Formal Sector

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ABSTRACT

Impulse buying is “a curious phenomenon wherein a person and person feels all of a sudden need to buy certain product which has high level of desperation and is completely uncontrollable (Rook, 1987). There are many factors influencing on impulse buying behaviour. This research investigate the relationship between Visual Merchandizing as influence of window display, influence of in-store form, influence of floor merchandizing, influence of promotional signage on Impulse buying behaviour. Sample of 230 working women in formal sector of employment were taken for administering the structured questionnaire. The findings state that there is positive relation between visual merchandizing and its dimensions as influence of window display, influence of in-store form, influence of floor merchandizing, influence of promotional signage and impulse buying behaviour. And visual merchandizing has the positive effect on impulse buying behaviour.

Keywords: Impulse buying behaviour, Visual merchandizing and Working women

INTRODUCTION

Impulse buying is a spontaneous purchase. Consumers decides to purchase the object on the spur of the movement not in response to a previous planning. Kim (2003) said due to increasing competition and the similarity of merchandise, retailers utilize visual merchandising to differentiate their offerings from others’ as well as to improve the desirability of products. The visual merchandising is the tool which is used by the companies or shopkeepers to attract the customers or shoppers to do the unplanned buying. In which the marketers and the shopkeepers arrange their shops or do promotional activities that attract the shoppers by seeing the shop, promotions, their sign boards, atmosphere, shelf arrangement, section divisions, cleanliness and many other factors which attract the shoppers to do impulse or unplanned buying.

Many researchers conduct research on the visual merchandising on impulse buying behaviour (Mehta and Chugan, 2013; Bashar and Ahmad, 2012; McGoldrick, 1990; Marsh, 1999; Sujata et al., 2012).

Women Sri Lanka are very traditional but now seems to be very different in their buying behavioural patterns, especially in dressing including purchasing of apparels. Research found women tend to buy symbolic and self-expressive goods which are associated with their appearances and emotional aspects. Working women in formal sector are also expected in expressing their purchasing behaviour in this same line. Dittmar et al. (1995) found that products bought on impulse can reflect gender identity. Therefore, apparels are taken as investigating object to find out the relationship between visual merchandizing and impulse buying behaviour of working women in Batticaloa District.

Review of Literature and Hypothesis Development

Visual Merchandizing

Retailers are facing a keen competitive market place and as a consequence of that they find many difficulties to differentiate their stores on the basis of product, place, people, price and promotion. Visual merchandizing includes influence of window display, influence of in-store form, influence of
floor merchandizing, influence of promotional signage (Kim, 2003; Lea-Greenwood, 1998; Ridmi et al., 2011). Visual merchandising is defined as “the presentation of a store/brand and its merchandise to the customer through the teamwork of the store’s advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store/company” (Mills, Paul and Moorman, 1995). Mills et al., in 1995 states that visual merchandising ranges from window/interior displays to interior displays including form displays and floor/wall merchandising as well as promotion signage. It also broadly includes advertising and brand/store logo.

**Impulse Buying Behaviour**

Iyer, (1989) distinguished that all the impulse purchases are unplanned, but unplanned purchases are not always impulsively decided (Han, Morgan, KotSiopulo and Kang-Park, 1991). Stern (1962) modified it as four types of impulse purchasing: pure, reminder, suggestion or fashion oriented and planned impulse buying. Pure impulse buying is when the buyer breaks the usual shopping trend and purchase the products. Reminder impulse is when a consumer reminded about the purchase when she/he sees the products in the store. Stern (1962), introduced the concept of suggestion or fashion-oriented impulse buying i.e without any prior experience the buyer suggesting a new product for themselves. Han et al. (1991), described fashion-oriented impulse as a type of suggestion impulse where the purchase is motivated by self-suggestions to buy the new fashion products.

**Visual Merchandizing on Impulse Buying Behaviour**

Lea-Greenwood (1998) found that visual merchandising practices certainly influence customers’ buying behavior. The research revealed that is a direct proportional relationship between customers” buying behavior and in-store form/mannequin display, promotional signage and window display. Kim (2003) found a significant relationship between college students’ impulse buying behavior and in-store form/mannequin display and promotional signage. Eventhough, the window display and floor merchandising did not appear to significantly lead to college students’ impulse buying behavior, the results of the study still suggested that these variables and consumers’ impulse buying behavior are significantly correlated. Study also argued 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.

Therefore, these literature led to develop the following hypothesis for this study.

H1: There is a positive relationship between Window Display and Impulse buying behaviour
H2: There is a positive relationship between In-store form and Impulse buying behaviour
H3: There is a positive relationship between Floor Merchandizing and Impulse buying behaviour
H4: There is a positive relationship between Promotional Signage and Impulse buying behaviour
H5: There is a positive relationship between Visual Merchandizing and Impulse buying behaviour
H6: There is a positive effect between Visual Merchandizing and Impulse buying behaviour

**Methodology**

**Sample and Area**

This study concentrates with visual merchandizing through urge influences on impulse buying behaviour of working women in formal sector. 230 working women from formal sector were taken as respondents from stratified random sampling in Batticaloa, Sri Lanka during the period of March and April, 2017.

**Survey Instrument**

Primary data are collected through structured questionnaires with closed statements measured with Likert’s scale (1= strongly disagree and 5= strongly agree). The questionnaire was consisting with three main section; impulse buying behaviour, urge to buy and visual merchandizing factors.

**Statistical tool used**

The collected data was analyzed using descriptive and correlation analysis and regression analysis.
Results and Discussions

Table 1: Level of Visual Merchandizing Factors in Formal sector

<table>
<thead>
<tr>
<th>External Factors</th>
<th>Frequency</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Influences Window Display</td>
<td>2.9551</td>
<td>1.047</td>
<td>82</td>
<td>35.7</td>
<td>74</td>
<td>32.2</td>
</tr>
<tr>
<td>Influence of instore form/Mannequin display</td>
<td>3.1011</td>
<td>1.071</td>
<td>79</td>
<td>34.3</td>
<td>78</td>
<td>33.9</td>
</tr>
<tr>
<td>Influence of floor merchandizing</td>
<td>3.2000</td>
<td>1.285</td>
<td>71</td>
<td>30.9</td>
<td>67</td>
<td>29.1</td>
</tr>
<tr>
<td>Influence of promotional signage</td>
<td>3.3804</td>
<td>1.378</td>
<td>63</td>
<td>27.4</td>
<td>67</td>
<td>29.1</td>
</tr>
<tr>
<td>Overall Visual merchandizing Factors</td>
<td>3.1591</td>
<td>.9386</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1 explains the level of visual merchandizing factors by the respondents. It is found that 35.7 percent of the respondents have low level in window display, 32.2 percent of the respondents have moderate and high level in influence of window display. This indicates that majority of the respondents are falling in the low level even though the difference is minute between low, high and moderate.

It is also observed that 34.3 percent of working women have low level of influence of in-store form/mannequin display whereas 33.9 percent falls in moderate level and 31.7 percent falls in high level. This indicates even though high percent of the respondents are expressing lower influence of instore form/mannequin display, the range of level of influence is similar.

Influence of floor merchandizing is 40.0 percent in high level among the respondents and 30.9 percent falls in lower level and 29.1 percent falls in moderate level. This indicates that high percent of the respondents are expressing the influence of floor merchandizing.

Considering the promotional signage 43.5 percent of respondents are in high level and 29.1 percent of respondents are in moderate level and 27.4 percent of respondents are in high level.

The overall mean value of visual merchandizing is 3.16 with standard deviation of .94.

Table 2: Level of Impulse Buying Behaviour in Formal sector

<table>
<thead>
<tr>
<th>IBB</th>
<th>Formal Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Respondents</td>
</tr>
<tr>
<td>Low</td>
<td>51</td>
</tr>
<tr>
<td>Moderate</td>
<td>103</td>
</tr>
<tr>
<td>High</td>
<td>76</td>
</tr>
<tr>
<td>Mean</td>
<td>3.2437</td>
</tr>
<tr>
<td>SD</td>
<td>0.7246</td>
</tr>
</tbody>
</table>

Source: (Primary Data)

Table 2 specifies that 44.8 percent of respondents have moderate level of Impulse Buying Behaviour, 33 percent of respondents have high level of Impulse Buying Behaviour and 22.2 percent of respondents have low level of Impulse Buying Behaviour where mean of impulse buying behaviour is 3.244 with a standard deviation of 0.725.

Table: 3 Visual merchandizing Factors and Impulse Buying Behaviour

<table>
<thead>
<tr>
<th>Visual merchandizing Factors</th>
<th>Impulse Buying Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>r - value</td>
<td>p - value</td>
</tr>
<tr>
<td>Influences Window Display</td>
<td>0.372**</td>
</tr>
<tr>
<td>Influence of instore form/Mannequin display</td>
<td>0.300**</td>
</tr>
</tbody>
</table>
Influence of floor merchandizing  |  0.288**  |  0.007  
Influence of promotional signage |  0.346**  |  0.000  
Overall Visual merchandizing Factors |  0.415**  |  0.000  

Primary Data Computed, **. Correlation is significant at the 0.01 level (2-tailed). *. Correlation is significant at the 0.05 level (2-tailed).

Table 3 reveals the relationship between visual merchandizing factors and impulse buying behaviour of working women in formal sector. It shows there is positive relationship between influence of window display, in-store form/mannequin display, floor merchandizing and promotional signage and impulse buying behaviour. The correlation values are 0.372, 0.300, 0.288 and 0.346 respectively. It shows that the influence of window display is increased by one unit, impulse buying behaviour will be increasing by 0.372 units. And when instore form/Mannequin display is increased by one unit, impulse buying behaviour will be increasing by 0.300 units. Floor merchandizing is increased by one unit, impulse buying behaviour will be increasing by 0.288 units. And promotional signage is increased by one unit, impulse buying behaviour will be increasing by 0.346 units.

In order to test the hypothesis H6 the Regression test is applied.

**Regression Analysis**

Table 4: Linear Regressions between Visual Merchandizing and Impulse Buying Behaviour

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>ANOVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>R Square</td>
</tr>
<tr>
<td>1</td>
<td>0.172</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Constant</td>
<td>2.232</td>
<td>0.153</td>
<td>14.559</td>
<td>0.000</td>
</tr>
<tr>
<td>Visual Merchandizing</td>
<td>.320</td>
<td>0.047</td>
<td>6.885</td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>

Above table 4 summarizes the results of linear regressions and it confirms that specified regression model explains 17.2% (R square) of the total variance in impulse buying behaviour. And P value for F-statistics 0.000, which is less than 0.05, suggests that overall, the model applied can statistically significantly predict the dependent variable i.e visual merchandizing explained 17.2% of variance of impulse buying behaviour. Thus, the estimated model can be established as follows:

\[
\text{Impulse Buying Behaviour} = 2.232 + 0.320 \text{ visual merchandizing} + \varepsilon
\]

Accordingly, one unit increase in visual merchandizing will increase Impulse Buying Behaviour by 0.320 when the other variables are constant.

**CONCLUSION**

It is concluded that visual merchandizing factors; window display, in-store form/mannequin display, floor merchandizing and promotional signage exhibiting positive influence on impulse buying behaviour in formal sector working women. Therefore, hypotheses H1, H2, H3, H4, H5 and H6 are accepted in this study. This study correlates with the previous research as well.

**References**


