

# A Study on The Relationship Between Visual Merchandising And Customer Buying Decisions on Royal Hypermarket , Ottapalam

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**Abstract-** *This study explores the influence of visual merchandising on customer buying decisions at Royal Hyper Market. Visual merchandising, encompassing the strategic display of products, lighting, color schemes, signage, and overall store layout, plays a critical role in shaping customer perceptions and enhancing shopping experiences. This research aims to quantify the effects of various visual merchandising techniques on consumer behavior and purchasing patterns. The study is investing in innovative visual merchandising strategies can enhance the competitive edge of retail establishments like Royal Hyper Market. Recommendations include continuous adaptation of visual merchandising tactics to align with evolving consumer preferences and seasonal trends, and leveraging technology for dynamic displays. Future research could explore the long-term impact of specific visual merchandising elements on customer loyalty and brand perception.*

**Keywords-** Visual Merchandising, Customer Buying Decisions, Retail Strategy, Consumer Behavior.

## I. INTRODUCTION

Visual merchandising is the practice of developing floor plans and three-dimensional displays in order to maximize sales. Both goods or services can be displayed to highlight their features and benefits. The main goal is to attract, engage, and motivate the customer towards making a purchase. Effective visual merchandising employs various techniques such as they are Window Displays, In-Store Displays, Lighting, Signage, colours of walls .

Impact on Customer Buying Decisions is Visual merchandising significantly influences customer buying decisions by enhancing the shopping experience and making it more enjoyable and convenient. Here are some ways it affects buying behaviour is Attraction, Engagement, Persuasion, Navigation, Brand Perception.

Royal Hyper Market utilizes visual merchandising to create a welcoming and engaging shopping environment that drives sales. visual merchandising is implementing Thematic Displays, Product Placement, Interactive Displays, Clean Layouts, Lighting and Ambiance.

Visual merchandising is a critical component in the retail strategy of Royal Hyper Market. By leveraging visually appealing and strategically placed displays, the market can enhance customer experience, drive engagement, and ultimately boost sales. Understanding the psychology behind customer buying decisions allows Royal Hyper Market to create a shopping environment that not only meets but exceeds customer expectations

## II. REVIEW OF LITERATURE

**According to Amandeep Kaur (2013)**, has undertaken a study in Chandigarh to determine the important factors of visual merchandising which influence consumer's buying behavior and in-store promotion activities. Questionnaires regarding visual merchandising were filled by the customers visiting the retail stores present at different locations in Chandigarh. Various visual merchandising techniques like graphics and signage, fixtures, props, lighting and space management were considered and study there impact on the buying of the customers. The study also tried to explain the relationship between impulse buying and visual merchandising.

**According to Bashar & Irshad, (2012)**, has considered impact of form display, window display, promotional signage and floor merchandising by taking sample size of 250 Indian respondents by applying Pearson correlation. His findings are that window display and impulsive purchasing are positively correlated. Impulse buying and store display are not correlated. Floor merchandising is also correlated with impulse buying.

According to Derry Law, Christina Wong & Joanne Yip (2012), aim to explore consumer affective response on visual stimulus in stores by considering the aesthetic, symbolic and cultural perceptions of function-oriented product-intimate apparel. The literature to date tends to focus on the interaction between individual visual merchandising elements (e.g. colour, lighting) with consumers. However, the product nature and its symbolic meaning have not been seriously taken into consideration. Due to the immense market potential in the East, applying western-developed theories may not be universally appropriate. There may be different results and patterns in consumer behavior. Thus, this study enrich existing knowledge of atmospheric management by including the interaction of Eastern values and product nature on affective responses

According to Mehta & Chugan, (2012), has studied the contact of visual merchandising on shopper impulse buying behavior. He took sample size of 84 customers visiting the retail stores of India and find that window display has direct relation with impulse buying. However no significant relation is found between form display and impulse buying but floor merchandising shows direct relation.

**III. OBJECTIVES OF STUDY**

**PRIMARY OBJECTIVE**

- To study the impact of visual merchandising and customer buying decisions

**SECONDARY**

- To study the different visual merchandising elements
- To analyze the highly influential elements of visual merchandising

**IV. RESEARCH METHODOLOGY**

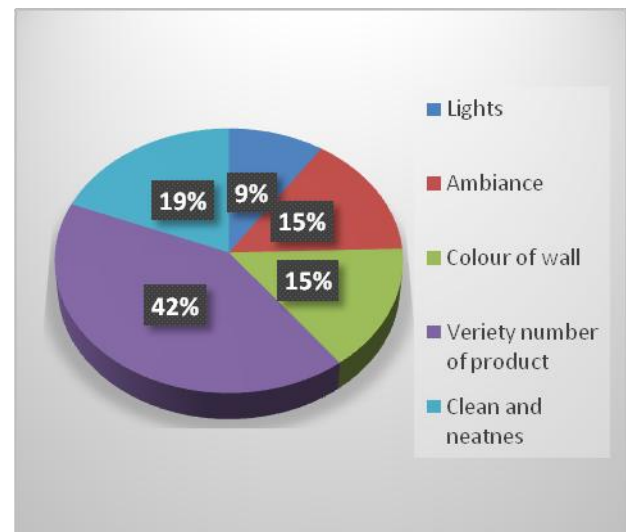
The research is of the descriptive kind. Descriptive research design is a methodology used to systematically collect, analyze, and interpret data to describe a phenomenon or population without influencing it in any way. Its primary goal is to provide an accurate depiction of what is being studied. Population of the study is 106 Customers of Royal Hypermarket, Ottapalam. The census sampling method is used in this study. Sample size refers to the number of respondents included in a study. Sample size of the study is 106 customers in the organization. The system of data collection is based on the study being conducted. The data is collected through Primary and Secondary Source. The main method of data collection is based on Questionnaire.

**V. DATA ANALYSIS**

TABLE SHOWING MOST INFLUENCING FEATURE IN THE STORE

Particular	Numbers	Percentage
Lights	10	9
Ambiance	16	57
Colour of wall	16	15
Variety number of product	44	42
Clean and neatness	20	19
Total	106	100

FIGURE SHOWING MOST INFLUENCING FEATURE IN THE STORE



**INTREPRETATION**

Variety (42%) is the top factor influencing shoppers, followed by ambiance (16%). Other factors like lighting (9%), wall color (15%) and cleanliness (19%) are less influential.

TABLE SHOWING TYPE OF VISUAL ELEMENT AND OVERALL RANKING

VISUAL ELEMENTS	RAN K 1	RAN K 2	RAN K 3	RAN K 4	RA NK 5
CLEAN AND NEETNESS OF STOR	51	17	17	6	15

ATTRACTIVENESS OF DISPLAY OF WINDOW	14	32	29	18	13
ATTRACTIVNESS OF THE PRESANTATION OF CLOTHES	13	20	29	23	21
ATMOSPHERE	15	23	27	20	21
LIGHTENING IN THE STORE	14	25	29	24	14
MUSIC	11	26	26	23	20

RANK	1	2	3	4	5	6
WIEGHT	6	5	4	3	2	1

X	W	X	W	X	W	X	W	X	W	X	W
1	x1	2	x2	3	x3	4	x4	5	x5	6	x6
5	30	1	84	1	78	1	90	1	84	1	66
1	6	4		3		5		4		1	
1	85	3	16	2	10	2	11	2	12	2	13
7		2	0	0	0	3	5	5	5	6	0
1	68	2	11	2	11	2	10	2	11	2	10
7		9	6	9	6	7	8	9	6	6	4
6	18	1	54	2	69	2	60	2	72	2	69
		8		3		0		4		3	
1		1	26	2	42	2	42	1	28	2	40
5		3		1		1		4		0	
	W		W		W		W		W		W
	x1		x2		x3		x4		x5		x6
	=		=		=		=		=		=
	50		44		40		41		42		40
	7		0		5		5		5		9

$W = (6+5+4+3+2+1) = 21$

WEIGHTED AVERAGE =  $(\sum WX_i) / (\sum W)$

(Where i= 1,2,3,4...)

$W_1 = 50/7 = 7.14$

$W_2 = 44/0 = 0$

$W_3 = 40/5 = 8$

$W_4 = 41/5 = 8.2$

$W_5 = 42/5 = 8.4$

$W_6 = 40/9 = 4.44$

VISUAL ELEMENTS	WIEGHTED AVERAGE	RANK
CLEAN AND NEATNESS OF STORE	24.24	1
ATTRACTIVENESS OF DISPLAY OF WINDOW	20.95	2

ATTRACTIVENESS OF THE PRESANTATION OF CLOTHES	19.28	6
ATMOSPHERE	19.76	4
LIGHTENING IN THE STORE	20.23	3
MUSIC	19.47	5

**INTERPRETATION**

The weighted average analysis in the ranks visual elements in a store setting based on their importance. Cleanliness and neatness of the store received the highest score, followed by the attractiveness of window displays. This information can guide the store in prioritizing improvements to enhance the overall visual appeal and customer experience.

TABLE 6, 7 SHOPPING TIME IN MONTH AND MOST INFLUENCING FEATURE TO CUSTOMERCE MEASURES TAKEN BY THE STORE

SHOPING TIME	LIG HTS	AMB IANS	COL OUR OF WAL L	VERI TY NUM BER OF PRO DUC T	CLEA N AND NEAT NESS	T O T A L
FIRST WEEK	4	2	0	10	4	20
MID OF MONTH	1	6	5	5	4	21
LAST WEEK OF MONTH	4	5	6	11	5	31
DEPENTI NG UPON REQUIRE MENTS	1	3	5	18	7	34
TOTAL	10	16	16	44	20	106

**INTERPRETATION**

The table shows that the number of products is the most influencing feature to customers, with the last week of the month being a critical time for customer influence.

Cleanliness and neatness also play a significant role in customer perceptions.

## VI. CONCLUSION

Customers have indicated preferences for factors such as store ambiance, cleanliness, and the presentation of products, emphasizing the significance of a visually appealing retail environment. By focusing on enhancing these aspects of visual merchandising, Royal Hypermarket can create a more engaging and satisfying shopping experience for customers, ultimately leading to increased sales and customer loyalty.

Furthermore, the data suggests that customers value the way products are displayed on racks and hangers, indicating a preference for organized and visually appealing product presentation. By optimizing product placement and display strategies, Royal Hypermarket can effectively showcase products, attract customer attention, and potentially increase sales.

When examining shopping preferences, it becomes apparent that store design plays a significant role in influencing purchasing decisions, with a majority of participants agreeing that an attractive store layout impacts their buying behavior. In the realm of groceries, the data indicates that a considerable portion of respondents strongly disagree with the notion that final buying decisions are influenced by groceries, while a notable percentage agree or remain neutral on the matter.

Furthermore, the analysis underscores the substantial influence of reviews on consumers' electronics purchasing decisions, with over half of the participants indicating that reviews sway their buying choices. In the apparel sector, a majority of individuals consider their preferences when making clothing purchases, highlighting the importance of personal tastes in this category. This data can be instrumental for businesses seeking to tailor their marketing strategies and product offerings to align with the preferences and needs of their target audience, ultimately enhancing customer satisfaction and driving business growth.

In conclusion, the data analysis underscores the importance of visual merchandising in influencing customer buying decisions at Royal Hypermarket. By prioritizing factors such as store cleanliness, attractive displays, and organized product presentation, Royal Hypermarket can create a visually appealing shopping environment that enhances the overall customer experience and drives positive buying decisions.

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