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## BUSINESS STRATEGIES TO IMPULSE BUYING BEHAVIOR OF THE CONSUMER

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### **ABSTRACT**

Visual merchandising is the presentation of a store and its merchandise in such a manner that will attract the attention of potential customers and it plays an important role in the retail business. As the number of users making online purchases is getting increase, visual merchandisers have to concentrate more on creating an exciting store design to make people come and visit the store. In this case study trying to know about the consumer expectations and needs along with their impulse buying behavior. Consumers' impulse buying process may vary from person to person depending on their demographical, cultural and social influences. So, in this case study focus on the consumer of American Eagle brand according to demographical and cultural influences. The impact of visual merchandising on American Eagle brand is a multi-stage process. The first stage of the process includes noticing the apparel and here the key role is played by sight. The second stage is the creation of the definite consumer's attitude towards the specific apparel. The third stage is the desire to buy the apparel. The last stage of the process is the purchase of the apparel which finally meets the consumer needs. These are the external motivator in the consumer's impulse buying behavior. It plays an important role in the retail business.

### **Keywords:**

American Eagle Brand, Visual merchandising, Merchandises, Consumer, Impulse buying.

#### INTRODUCTION

Nowadays as the number of users making online purchases is getting increase, visual merchandisers must concentrate more on creating an exciting store design to make people come and visit the store. It is an external motivator in the consumer's impulse buying behavior. The main focus is to change the passive looker into the active buyer. To know about the expectations, needs of the consumer and their impulse buying behavior sales can be increase. Visual merchandising is the presentation of a store and its merchandise in such a manner that it will attract the attention of potential customers. The maximization of the sales can be done with the help of the floor plans and three-dimensional displays as it makes customers to locate the desired category and merchandise easier. The performances that will convey the need of visual merchandising techniques to increase the point of sales of American eagle brand. The purpose is to attract, engage, and motivate the consumers towards making a purchase. The research has been made to understand the needs and expectations of the consumers of American Eagle brand. It is important for the visual merchandisers to understand their target customers, their attitude in buying and perceptions towards the store. It is also necessary to determine what are the factors which influence the consumers' impulse buying decision and to what extent. Visual merchandising is the art and science of presenting products in the most visually appealing way, emphasizing on the communication with the customer through images and presentations. The impact of visual merchandising is a multi-stage process. It is the one which affects the growth of motivation to buy the apparel. The first stage of the process includes noticing the apparel. Here the key role is played by sight. The second stage is the creation of the definite consumer's attitude towards the specific apparel. The third stage is the desire to buy the apparel. The last stage of the process is the purchase of the apparel which finally meets the consumer needs. It plays an important role in the retail business.

## Impulse Techniques in Visual Merchandising

There are various techniques in visual merchandising such as interior displays, store interior, lighting, window display, photography, signage, consumer buying process and consumer behavior. In-store visual merchandising can be used to capture the attention of consumers whilst they are in the store, which is essential in the buying decision-making process. To capture the attention of the customer, the retailer must consider the customer's needs during this process. Factors that contribute to the overall in- store design include: the store layout, store design, point of purchases displays, item display, assortment display, and signage. The shop interior is a significant part of merchandising because designing a modern retail store can affect the profit and image of the brands. Designing the shop interior is the art of planning because it is a creative process. It is the art of drawing, composing, and selecting colors, materials, furnishings, and accessories to enrich the design of the store interior. The main purpose is to create an attractive shopping environment and to enhance the presentation of merchandise.



# **International Journal of Engineering Technology Research & Management**

To create a distinctive image should be the main task of a designer because such an image will create a brand recognition which will be immediately perceived by consumers. The display window is accepted as the most important part of the store design because it is the first meeting place the customer has with a brand and it gives a passer-by a quick impression of the store. A passer-by can hold an opinion about the type of merchandise sold inside. The layout of display windows should not take focus away from the clothes and it should suggest a feeling. Visual merchandising has a great role by converting passers-by to spenders and ultimately converting them to loyal customers.

According to the customer stickiness progression model, loyal shoppers will become spenders who contribute more to the profit of the organization. Stopping Power – If displays are built with full of familiar items, there are chances that the customers will not stop and have a look. Consumer behaviour can be defined as the study of individuals, groups or organizations and the processes they use to select, secure, use and dispose of products, services, experiences, or ideas to satisfy needs and the impact that these processes have on the consumer and society.

### **Impulse Buying**

This study was conducted using qualitative design. Case study was employed to understand the people minds and their point of perspective for isonomy in fashion and in the world. Vegan prints are not in practice in the industry instead of people are using harmful chemicals to print their designs.

### **METHODOLOGY**

The nature of the research approach chosen was explanatory, since this method is used to determine the effect that a variable is on another cause-and-effect relationship. The method included a survey containing close ended question since it allows the respondent to choose from among a given set of responses and the results obtained will be easier to analyses. Questions were categories. The first category consisted of questions to determine the respondents' demographic profile such as name, age, gender, occupation, and income. The second category contains six questions which measures the customers' impulse buying tendency. The other four categories similarly have six questions each, which determine the customers' buying behavior towards the four visual merchandising practices, such as window display, store interior, mannequin display, and signage. The survey was administered using a structured questionnaire among 100 people in Phoenix mall, Chennai. Out of the 100 respondents 64 were male and 36 were female in the age group of 18 to 30. Respondents were asked to select the choice that best characterized their answer. The five-point Likert scale ranging from strongly disagree = 1 to strongly agree = 5 was used to measure each variable. To study the impact of visual merchandising on buying behavior of the consumer, the dependent variable consumer is young consumer's impulse buying tendency and the independent variables of the study are the techniques of visual merchandising. The independent variables of the study are window displays, store interior, mannequin display, and signage. Those four types of visual merchandising will influence young consumer's impulse buying behavior. Their relations in terms of visual merchandising in terms of impulse buying behavior are to be found out. The dependent variable of the study is impulse buying and independent variables are window display, store interior, mannequin display, and signage. These variables have individual constructs, which are tested on the five-point Likert scale, which ranged from strongly disagree = 1 to strongly agree = 5.

It is observed that 45.5% of the consumers used to choose the buying process of new clothes for the period of once in a month as mentioned in figure 1,

How often do you purchase new clothes from American eagle brand? 22 responses

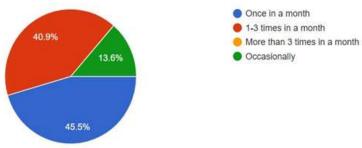


Figure 1: Buying period of American Eagle



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From the figure 2 it is concluded that 68% of the consumers chosen the important factors of visual merchandising for buying the products impulsively.

I tend to walk towards and buy products in eye catching or attractive displays. 22 responses

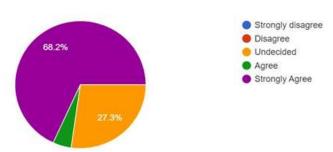


Figure 2: Impulse buying

In figure 3 it is shown that the 95% of the consumers have liked to visit the American Eagle store because of the visual merchandising techniques such as window displays, discounts, instore displays etc.

What tends you to enter into the American eagle store?

22 responses

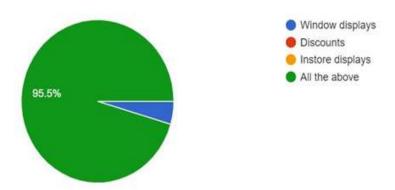


Figure 3: Visual merchandising

### Concept of shop in shop

The shop-in-shop retail concept is where a brand owner or retailer takes space in another retailer's store and fits it out to provide selling space dedicated to that secondary company's products. Retail store layout, also referred to as store design or layout design, is a term used for the way retailers set up product displays, fixtures, and merchandise in-store.



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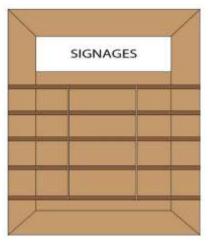


Figure 4- Wall

The above-mentioned wall in (figure 4) is the important fixtures of the visual merchandising. You could paint a mural on your wall, but you'd be wasting crucial sales territory. Instead, use wall space to deliver a pleasant shopping experience that increases sales. Walls serve as destinations and as "tour guides," leading shoppers around your store.



Figure 5- Table

It helps to organize the retail space and help customers find what they're looking for easily – thus improving their experience while shopping in your store. Moreover, it helps to attract, engage, and inform customers better with carefully designed displays. A well-designed, impactful display exposes the customer to as much merchandise as possible while avoiding a sloppy mess. The more products customers see, the more they buy.

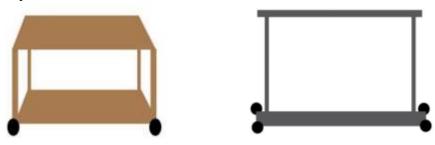


Figure 6: Moving table and stand

POP displays are temporary digital or physical displays located around products you want to draw attention to or advertise. They can



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promote product features, showcase deals, break up clutter, or draw attention to an exciting item. Think of your POP displays as onedimensional employees—while they are confined to one product area, they are the expert and key salesperson for that product and can help you sell it faster and easier.

### **Execution of Shop in Shop**

Shop in shop can increase the number of customers who notice and enter your retail business. Merchandising should start outside where customers first see your premises (eg signage). If they like what they see and enjoy the experience you create inside, this should encourage them to return to your store. If you have products that are difficult to sell, clever visual merchandising could help you to market them without having to reduce their price. Similarly, you can place low-priced items in less prominent spots to encourage the sale of high-margin items. The customers will begin to associate your clear and attractive merchandising with a positive shopping experience. This should encourage them to return.









Figure 7: Visual merchandising

### **CONCLUSION**

Since impulse buying is an influencing aspect of consumers' behavior, finding the variables that influence those behaviors is important for retailers in order to survive in the competitive market place. It is corroborated from the study that all the four elements of visual merchandising, viz. (1) window display;(2) store interior, (3) store layout, and (4) signage significantly influences the consumer's impulse buying behavior. From the factor analysis, it is inferred that signage and window display of the store has the highest impact on consumers' buying behavior. From the Pearson correlation and regression analysis, it is found that all those elements taken for the study have a positive impact on the consumers' impulse buying behavior. Among all the four elements, store interior has the highest significance. This indicates



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that this visual merchandising practice acts as an external motivator creating a desire to make unplanned purchases, which significantly influences the impulse buying behavior. The results suggest that the retailers must concentrate more on store interior to improve the impulse buying behavior of the consumer and thereby increasing sales of the store. The factors such as store layout, store design, point of purchase displays, item display, assortment display, and signage contribute to the overall store interior. If these are applied successfully to a store, the retailers can meet the needs of the consumer and provide a positive impact on sales of the merchandise.

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