**VISUAL MERCHANDISING: A KEY ELEMENT IN RETAIL INDUSTRY**

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**ABSTRACT**

With the upcoming mall culture & paradigm shift in organised retail sector, a new concept of Visual Merchandising is also coming into the picture. Visual merchandising is one of the best method of arranging visual display in the store in such a manner that the potential customers will find it eye-catching and pleasing, and thereby replicating these principles that strengthen the store’s image. It is the way one exhibits products 'for sale' in the most striking manner, with the end purpose of making a sale. "If it does not sell, it is not visual merchandising." Especially in today's challenging economy, retail store managers may avoid designers/visual merchandisers because they fear uncontrollable costs. But in reality, visual merchandisers can help cut down costs by avoiding costly error. With the guidance of a professional Visual Merchandiser, retailer can eliminate mistakes, save time and money. It is important to understand that the visual merchandiser is there not to impose ideas, but to help clients articulate their own personal style. Recently, visual merchandising has gained importance as a quick and cost effective way to revamp retail stores.

**KEYWORDS**

Visual Merchandising, Retail, Colour, Lighting, Space, Product Information.


**INTRODUCTION**

Visual Merchandising is the activity of promoting the sale of goods, especially by their presentation in retail outlets. This includes combining Product, Environment, and Space into a stimulating and engaging display to, encourage the sale of a product or service.

Many elements can be used by Visual Merchandisers in creating displays, including Colour, Lighting, Space, Product information, Sensory inputs such as Smell, Touch, and Sound as well as technologies, such as Digital displays and Interactive installations.(1)

The main principle of visual merchandising is increasing the sales. Visual merchandising is one of the final stages in trying to set out a store in a way that customers will find it attractive and appealing and it should follow and reflect the principles that underpin the store’s image. Visual merchandising is the way one displays 'goods for sale' in the most attractive manner with the end purpose of making a sale. "If it does not sell, it is not visual merchandising."

Especially in today's challenging economy, people may avoid designers/visual merchandisers because they fear unmanageable costs. But in reality, visual merchandisers can help economise by avoiding costly mistakes. With the guidance of a professional, retailer can eliminate errors, save time and also money. It is important to understand that the visual merchandiser is there, not to impose ideas, but to help clients, articulate their own personal style.

**Features of Visual Merchandising**

- Specific shop facings attract different customer segments.
- Post modern style attracts younger consumer groups with higher incomes.
- Traditional and basic style attracts purists.
- Luxury presentation style attracts consumer groups with higher incomes.
- Colourful attractive presentation style attracts a broad spectrum of quality oriented consumer groups.
- Elegant but distanced presentation style attracts modern lifestyle oriented consumer groups.
- Simple presentation style attracts altruistic consumer groups.

**Purpose**

Retail professionals display to make the shopping experience more comfortable, convenient and customer friendly by:

- Making it easier for the shopper to locate the desired Category and Merchandise.
- Making it easier for the shopper to self-select.
- Making it possible for the shopper to co-ordinate & accessorize.
- Providing information on Sizes, Colours & Prices.
- Informing about the latest fashion trends by highlighting them at strategic locations.(2)
Merchandise presentation refers to most basic ways of presenting merchandise in an orderly, understandable, 'easy to shop' and 'find the product' format.

**Typical Activities of Visual Merchandising**
- Conducting research based on lifestyle concepts and trends as well as store and/or regional attributes.
- Sketching designs.
- Developing floor plans.
- Sourcing materials.
- Maximising the space and layout of the store.
- Using available space to the best advantage.
- Dressing mannequins and making use of creative lighting for window displays.
- Preparing for promotional events and dismantling displays at the end of promotional periods.
- Giving feedback to head office and the other teams (such as buyers).
- Visiting other stores in the area, working with in-store sales staff and helping to develop their understanding of presentation.
- Setting up a 'model' store according to the company's latest design directives, photographing the store's windows, each wall and every display, in order to create a visual merchandising pack to send out to other stores. (To ensure that all stores are consistent with the company brand and image)
- Implementing the designs and plans created by the visual merchandising manager and the creative director, which may involve manual work including lifting, carrying and climbing ladders.

According to Apurv Satdeve, "Visual Merchandising is a perfect understanding of one's business strategy filtered into highly creative solutions".

Everything that meets the eye of the customer is a part of visual merchandising. One cannot over-simplify the VM imperative, since it is not just about the physical contents of a store.

The store derives as much of its identity, character and gravity from its physical contours, as from the products it houses, and the individuals who manage the transactions there in.

In tangible terms, it includes not only the products on sale, but also the decor, the shop floor and ceiling, restrooms and trial rooms, staff uniforms, lipstick colour of female personnel and tie knots of male personnel. It is also inclusive of the attitude of your personnel, who interact with customers. Hence, everything that makes an impact on the perspective customer is part of visual merchandising.\(^{(3)}\)

**SOME CONSIDERATIONS**

**Be Original**
Boredom, Sameness, Mediocrity; that pretty much summarises most retail store designs today. There is a lack of innovation. Too many retailers look at a store chain that is successful, and then try to "knock off" its look. However, if you look the same or worse than the competition, then the customer becomes less attracted to your store. Sameness (That's when retailers look and act alike) is a curse for most stores. If they can't be better than the competition, they might as well go work for them.

**Lighting**
An often overlooked and underestimated tool available to retailers is store lighting. Studies show that proper lighting can increase merchandise sales by up to 20%. Yet, all too often, they let the importance of lighting go unrecognised.

Start with the basics – aim your spotlights on the intended products and be conscientious about replacing light bulbs right away. Customers are definitely not impressed when they notice several burnt out bulbs, as they walk into a store. It's just a sign of neglect and complacency.

Lighting can be a costly investment and a complete renovation of the current system, may not be feasible for many retailers. The following recommendations; however, can provide you with a good starting point:
- Use colour corrected bulbs. Improper bulbs make merchandise look grey and shabby.
- Make use of spot lights, preferably Halogen, to highlight key selling areas.
- Point your lights where you want your customers to look. If your walls are supposed to show off your products, then flood them with "wall washing" light.
- Make the front of your store "glow" with light. You need to be noticed and a bright storefront is more attractive and appealing.
- Brighter stores are now the norm. Lighten up!

**Address the Senses**
Create a sensual experience in the store by paying attention not only to sight, but also to smell, touch and sound. Think of how magical a bakery smells. Doesn't it make one want to buy? Remember how many times one has walked into the movie theatre, promising himself/herself there would be no popcorn this time, only to find oneself elbow deep in a super-sized bucket?

Pay attention to how the store smells. One can trigger emotional responses in customers that cause them to relax, energise, reminisce, and (hopefully) buy something.\(^{(4)}\)

Music is an essential element in any store. It helps accentuate and build the atmosphere. It can also add texture to the environment.

Customers tend to stay longer in environments with appropriate music... and if they stay longer, they typically buy more. A relaxed and fun work place will also increase the productivity and morale levels of your employees.

Be sure that the music one chooses fits the store and the customers. Stores attracting teens should play the lively music of the day. Nature-oriented retailers should use natural, soothing sounds blended with classical themes.

As in all things, do it right? Avoid the radio station, since commercials and newsbreaks don’t help at all. Compact disc systems are inexpensive and allow the music to play continuously without the risk of sudden silence. Digital music services are the best option.

**Housekeeping Standards**
The store’s housekeeping must be impeccable. When we say impeccable, we mean flawless.
A dirty store says you don’t care. It says you’ve lost interest and you probably don’t treat the merchandise with respect either. It’s tough enough to win over customers without adding to the difficulty by presenting a less than spotless store. Create a daily and weekly checklist of every housekeeping duty that must be completed. Assign these duties to various individuals and hold them accountable for getting them done.(5)


**Store Windows**
The storefront windows are an ideal opportunity to attract customers’ attention and drag them into your store. Windows should be used for these main purposes:
- Sales promotions.
- Image-building.
- Seasonal changes.
- New arrivals.
- High demand items.

Successful store windows are changed frequently! In a downtown area, potential customers pass by the store at least two or three times a week. Ask yourself “If my windows didn’t attract them into the store this week, what makes me believe they will next week?”

This frequent number of “pass by” means that you must change your windows as often as every week. Determine how many times the windows are seen by potential customers and rotate them to match that frequency. One must constantly present a fresh and exciting face. As a minimum, windows should be changed once per month.

**Creative Displays**
While individual creativity and artistic flair play a major role in merchandise displays, here are some main principles that one should consider:
- Good displays tell a story or have a theme.
- Keep displays simple. Don’t include too many items.
- Try portraying your products in use.
- Focus on impulse items.
- Use proper lighting and props.
- Use well-stocked power walls/displays to show best sellers.(6)
- Show complementary/coordinating items together.
- Integrate your advertising into your displays.
- Use motion to attract attention.
- Focus on best sellers/hot items.
- Unless you’re a pro, keep it simple.

**Signage**
Too often, retailers spend big money on external advertising campaigns involving flyers, handouts, coupons, newspapers and other media, thereby overlooking the impact of In-store communication and presentations. As much as 80% of all the sales are generated, at point of purchase, by signage, displays and events within the store. This far outweighs any other type of promotional or marketing event.

Signage is the “silent salesperson” for the retailer and must reflect your image. Handwritten signs are essentially taboo. Professionalism is everything in the store, and the same holds true with the signage.(7)

**There are four different Types of Signs**
1. Promotional signs: For off-price events or specials.
2. Location signs: For direction to specific departments.
3. Institutional signs: For store policies, charitable events.
4. Informational signs: For product related features/benefits/prices.

**Consider the following Ideas when designing your Next Signage Campaign**
- Make your signs short and sweet. You have three seconds to tell the customer what you want them to know.
- Create a consistent look. Colour, size, type, style, and layout should be consistent.
- Use feature/benefit/price signs.
- Say “Save $10,” instead of “10% off”. It’s usually much more powerful.(8)

**Role of Visual Merchandisers in Retailing**
Visual Merchandisers play a major role in enhancing sales and the customer experience. Depending on where they work, visual merchandiser’s duties include:
- Planning the VM theme and creating displays.
- Arranging props for displays.
- Arranging display fixtures and lighting.
- Setting up store before opening.
- Working with floor plans and store requirements.
- Training personnel on the sales floor to create displays.

Organising merchandising units such as racks and shelves.(9)

**Important Attributes for Preferred Shopping Places**
- Pleasant atmosphere.
- Frequent special price offers.
- Able to touch products.
- Friendly sales people.
- Shopping fast and effective.
- Broad assortment.
- No stress factors.
- Extension offers.
- Low distance to shop.
- Enjoy shopping.
- Sufficient parking areas.

**Critical Competition Areas for Retailers**
- Price image: Too expensive.
- Less favoured locations.
- Shopping slow and less effective.
- Less shopping comfort.
- Needed conventional items have to be bought from separate markets.(10)

**Potentials for Retailers**
- Better appearance.
- Better care of assortment.
- Broader assortment.
Better possibilities to position with regional messages.
Sales people are able to steer purchase activities.
More trustful in consumers’ eyes.

Literature Review
Visual Merchandising is the art of displaying merchandise in a manner that is appealing to the eyes of the customer. It sets the context of the merchandise in an aesthetically pleasing fashion, presenting them in a way that would convert the window shoppers into prospects, and ultimately buyers of the product. A creative and talented retailer can use this upcoming art to breathe in, new life into his store products. Jerry Gelsomino wrote in his article in Baby shop Magazine.com (The Business Magazine for Independent Juvenile Product Retailers) that great store presentation and product merchandising is like a good book. It’s got an alluring cover to entice an interesting first chapter to tell the reader they’ve made the right choice, and a satisfying conclusion to get the audience to want more. The tools used to achieve these attributes are based on creating the most satisfying experience for the shopper, turning browsers into buyers. Gibson G. Vedamani stated that Visual Merchandising enhances the shopping experience by providing the right ambience, besides creating an image of the store in the minds of the customers.

OBJECTIVE
- To study the effect of visual merchandising in retail.
- To study the factors of visual merchandising influencing the shopping style of the customers.
- To study the extent of effect of visual merchandising in different categories of retail.

Scope: The scope of this research work is for the Retailers & their potential clients.

Rationale of Study: The study has been conducted to find out the effect of visual merchandising in the retail sector to see how the customers have an impact of this concept. The study also focuses on the factors of visual merchandising that affect the shopping style of the customers.

Ranking of the Preferences for these Factors from 1 - 5 for the Reasons that a Customer will Visit a Retail Outlet

<table>
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<th>Factors</th>
<th>Variables</th>
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<tr>
<td>Prestige / Status</td>
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<tr>
<td>Promotion / Advertisement</td>
<td>Var2</td>
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<tr>
<td>Value for money</td>
<td>Var3</td>
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<tr>
<td>Satisfaction</td>
<td>Var4</td>
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<td>Fun</td>
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Factor Analysis
Correlation Matrix (a)

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Weightage of Factors affecting Shopping Style

It clearly shows that ambience plays a very vital role in shopping.

Role of Visual Merchandising for commodity

The calculated means from the responses from the buyers clearly shows that, apparel section demands the maximum of Visual Merchandising. At the same time, Electronic Goods requires least. Customers are not very attentive towards the Visuals in the electronic goods section.
Communalities

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Extraction Method: Principal Component Analysis.

Total Variance Explained

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<th>Extraction Sums of Squared Loadings</th>
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<td>Total</td>
<td>% of Variance</td>
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<tr>
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<td>-5.33E-015</td>
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Extraction Method: Principal Component Analysis.

Correlations

Descriptive Statistics

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<td>4.7353</td>
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Correlations

VAR00001

| Pearson Correlation | 1     | -0.899(**) | -1.000(**) | 1.000(**) | -0.566(**) |
| Sig. (2-tailed)    | .000  | .000       | .000       | .000      | .000       |
| Sum of Squares and Cross-products | 25.412 | -38.118     | -25.412    | 25.412    | 12.706     |
| Covariance         | .252  | -.377      | -.252      | .252      | .126       |
| N                  | 102   | 102        | 102        | 102       | 102        |

VAR00002

| Pearson Correlation | -0.899(**) | 1     | -0.899(**) | -0.899(**) | -0.869(**) |
| Sig. (2-tailed)    | .000       | .000  | .000       | .000       | .000       |
| Sum of Squares and Cross-products | -38.118 | 70.676     | 38.118    | -38.118    | -32.559    |
| Covariance         | -.377     | .700   | .377       | -.377      | -.322      |
| N                  | 102       | 102    | 102        | 102        | 102        |

VAR00003

| Pearson Correlation | -1.000(**) | .899(**) | 1     | -1.000(**) | -0.566(**) |
| Sig. (2-tailed)    | .000       | .000    | .000  | .000       | .000       |
| Sum of Squares and Cross-products | -25.412 | 38.118     | 25.412    | -25.412    | -12.706    |
| Covariance         | -.252     | .377    | .252  | -.252      | -.126      |
| N                  | 102       | 102    | 102   | 102        | 102        |

VAR00004

| Pearson Correlation | 1.000(**) | -0.899(**) | -1.000(**) | 1     | .566(**) |
| Sig. (2-tailed)    | .000       | .000      | .000         | .000  | .000      |
| Sum of Squares and Cross-products | 25.412 | -38.118     | 25.412    | 25.412    | 12.706    |
| Covariance         | .252      | -.377     | -.252    | .252      | .126      |
| N                  | 102       | 102    | 102   | 102        | 102        |

VAR00005

| Pearson Correlation | .566(**) | -0.869(**) | -0.566(**) | .566(**) | 1     |
| Sig. (2-tailed)    | .000       | .000      | .000         | .000  | .000      |
| Covariance         | .126      | -.322     | -.126    | .126      | .197      |
| N                  | 102       | 102    | 102   | 102        | 102        |

** Correlation is significant at the 0.01 level (2-tailed).
Outcome
The study shows that the respondents give most emphasis on Ambience & later on Lighting, Colour, Cleanliness, etc. They are least interested in repetition, simplicity, angles, etc. Visual merchandising plays a vital role in their buying behavior. The major chunk responded that, they go for Apparels on top, accessories on second, followed by jewellery & footwear & least for groceries & electronic gadgets.

Using the factor analysis, we can infer that there are two factors, which affect the customers to visit any retail store. They are: variable 2, i.e. Promotion/Advertising & the other is Variable 3 i.e. value for money. They are the major contributor for any retail outlet to attract the customer, in terms of visual merchandising. Other factors like prestige, fun, etc are secondary and ranked after the above two as per the survey & the responses by the sample population.

Using the correlation analysis, it can be assumed from the research & survey, which shows an inclination of the respondent towards the variable 2 i.e. Promotion & Advertising; which is affecting them to shop in retail store. It means if we can rank them in accordance with the output table, we can say that promotion is on top, second is Value for money & last is fun taking into consideration the above mentioned five factors.

To be successful in the retail management, companies are more focusing into the visual merchandising, and the entire business is adopted based on the dynamics of the market trends. As the market scenario has to be taken into account, strategies have to be moved from the emerging to the emerged; a change in approach is necessary. In order to have good market performance, customer awareness about Visual Merchandising should be enhanced.

Visual merchandising is the way one displays 'goods for sale' in the most attractive manner with the end purpose of making a sale. "If it does not sell, it is not visual merchandising." It is an upcoming choice by the retailer as well as considered by the consumers. The consumers get attracted by these kinds of visual used by the retailers like colour, display, ambience, lightning, cleanliness, décor, motion, angle, etc.

All categories of retail store get affected positively by the influence of Visual Merchandising. The research shows that apparels, accessories, jewellery, & footwear are the main category which is mostly affected & attracting the customers to the stores because of good Visuals Merchandising & its factors.

REFERENCES