

## **Identify the Factors of Visual Merchandising on Customer Purchasing Behavior on Apparel (With reference to Colombo District).**

R.G.R.T. Dharmarathna<sup>1</sup>

**Goal 09:** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

### **1. Introduction**

The purpose of this research is to investigate the identify factors of visual merchandising elements on consumer purchasing behavior by focusing on selected clothing retail stores in Sri Lanka, identifying the most influential visual merchandising elements, and then comparing the results to those of international retail stores to determine what improvements can be made to attract more customers in the Sri Lankan context.

Globalization has boosted the fashion retail industry in Sri Lanka over the last few decades. The textile and clothing sector became subject to the general rules of the General Agreement on Tariffs and Trade on January 1, 2005, after more than forty years of import quotas (World Trade Organization Geneva, Switzerland). On that note, Sri Lanka plays a significant role in the region's apparel sector, and it has had an impact on the country's retail business improvement. According to Cooray, (2005) Secretary General of the Joint Apparel Association Forum (JAAF), Sri Lanka has the highest per capita apparel exports in Asia and by capitalizing on regional strengths, the country could easily thrive in positioning the South Asian region as a strong competitor second to China. "Sri Lanka has strategically nurtured its supply chain in order to meet its target of \$8.5 billion by 2020." The industry has demonstrated its capability by achieving a significant increase of \$ 4.3 billion in 2013 and is on track to achieve a further increase of \$ 2.3 billion by June 2014." Economic. In recent years, Sri Lanka's growth has been among the fastest in South Asia. Growth averaged 6.3

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<sup>1</sup> Department of Social Statistics, University of Kelaniya  
dharmar\_hs160174@stu.kln.ac.lk

percent. Between 2002 and 2013, with GDP per capita rising from \$859 in 2002 to \$1,059 in 2013.2000 to \$3,256 in 2013 (The World Bank, 2015). As a developing Sri Lankan people have different point of view about visual merchandising and different reasons are influencing their visual merchandising. The aim of this research is identifying the factors of visual merchandising on consumer purchasing behavior on apparel.

The main objective of the study, to identify the factors affecting of visual merchandising on consumer purchasing behavior.

## **2. Methodology**

This research hope to use quantitative research method based on the aims and needs of the research. Quantitative research is an approach for testing objectives theories by examining the relationship among variables. Independent variables are gender, education level, occupation, age, marital status, monthly income, and living area. The dependent variable is shopping experience and identifying the factors of visual merchandising.

The data collection methods will be done by using an online data collection survey's questionnaire from the related sample of population. In this research, only Google forms were used as the data collecting sources was done by sharing the questioner among the people who live in the Colombo district.

From the collected data of response sample was stratified selected as sample size 13 district in Colombo district. After that selection of proper sample, independent variable and dependent variable were categorized. According to a special marking system. All the questions in the Google form were properly arranged to measure the variables.

Factor analysis is used for identifying the factors affecting to visual merchandiser. Factors extracted based on Eigen values greater than 1 and scree plot to display the factors. Extraction method is principal components as extraction method and varimax as rotation method are used for factor analysis. Factors are, creative displays, mannequin, cleanliness, colors, lighting systems, store layout, floor merchandising, video display, promotional signage, and music.

The result of the reliability analysis, which obtained for the questionnaire of this study, can be indicated as follows,

The Cronbach alpha is used to measure internal reliability by unit weighting items with salient loadings in a factor where Cronbach's alpha coefficient at 0.5 or higher is considered acceptable. According to these factors produced alpha coefficients of .805 indicating high internal consistencies and reliability.

### 3. Results and Discussions

The main objective of this study is to identify the factors of visual merchandising on customer purchasing behaviour.

Validity is measured through the using factor analysis. Factor analysis was conducted on the 10 items used to measure independent variables. To satisfy convergent validity, the following conditions should be satisfied. KMO value should be greater than 0.5, sig. value of Bartlett's Test of Sphericity should be less than 0.05.

Table 1: PCF Extraction Method (Varimax)

<b>Rotated Component Matrix<sup>a</sup></b>			
<b>Factors</b>	<b>Component</b>		
	1	2	3
Influence of creative display	<b>.670</b>	.047	.314
Influence of Color	.160	.093	<b>.727</b>
Influence of lighting system	.265	.051	<b>.741</b>
Influence of music	.809	.049	.208
Influence of Cleanliness	<b>.715</b>	.137	.162
Influence of Promotional signage	.298	.205	<b>.703</b>
Influence of Floor merchandising	-.096	<b>.631</b>	.488
Influence of store layout	.016	<b>.880</b>	.152
Influence of mannequin	.276	<b>.728</b>	-.001
Influence of video display	<b>.520</b>	.514	.075
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 6 iterations.			

Source: Primary data, 2022

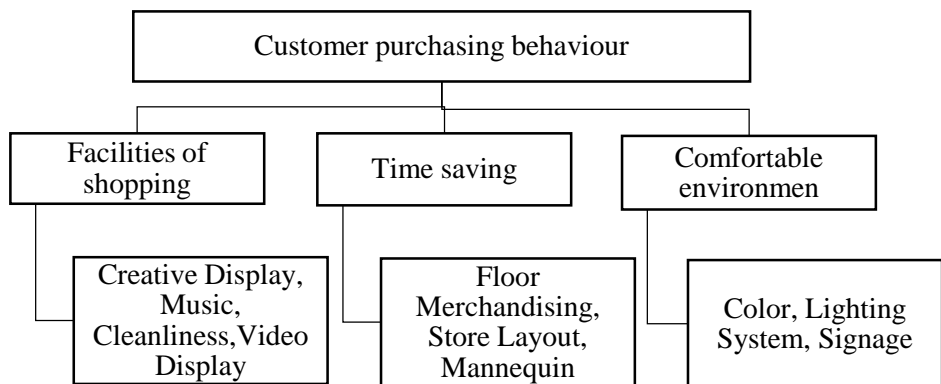
According to the value of KMO for overall matrix is 0.758, therefore the sample taken to process the factor analysis is statistically

significant. From above table, it is concluded that the strength of the relationship among variables is strong, because of the value of KMO Statistics is .758 and the null hypothesis for Bartlett’s test has been rejected since P-Value is 0.000. Therefor the data collected through the questionnaires can apply for the factor analysis.

The 10 variables considered in each methodology used in Table 1 described under the three key components. Under the Principal component factor extraction method, four factors under the first component, three factors under the second component and three factors under the third components. However as noted by Costello and Osborne (2005), the most common methods for successful analysis are the primary conservation analytics specialization method and the varimax factor rotation method.

Mainly three factors were identified by using factor analysis. Those factors are facilities of shopping, time saving and comfortable environment. By applying mean comparison, the factor with most impact on customer purchasing behavior was identified which time was saving.

Chart 1: Factor Summary



Source: Primary Data, 2022

#### 4. Conclusion and Recommendation

According to the result of analysis, the factors that affecting to the customer purchasing behavior of retails shops has been identified

namely, Facilities of shopping, time saving and comfortable environment which are evident from the analysis that out of 10 factors given. Gender education level, monthly income of the respondents' is affecting the shopping experience.

Visual merchandising influences consumers psychologically and has the power to draw them in. They offer meaning since they mirror one's emotions. To create a satisfying purchasing experience, visual merchandising is essential. So, when choosing the appropriate visual merchandising tools for their fashion stores, retailers should exercise caution. To boost sales, store managers should always personally supervise these. The study's results gave enough proof that shops are using visual merchandising. To help buyers become aware of the products and to foster positive attitudes, retailers should employ some visual merchandising techniques more than others. Statistics show that window displays are the most effective factor spread knowledge and a positive attitude about new fashion trends. Promotional signage is another crucial tactic for disseminating information about promotions. According to the study, visual marketing plays a significant role in influencing impulse purchases. Retailers must therefore be the leading proponents of new merchandising strategies in clothes stores. To provide the necessary financial and non-financial support that helps to take the best chances to sustain a competitive advantage, the retailers must be persuaded of the virtues and strategic advantages of visual merchandising. Additionally, it is important for businesses to develop specific visual merchandising approaches.

The present study continued with clothing segment though it can be examined in other segments also. And since this study limited only within Colombo district wherever it is falling into patriarchal society, researchers can extend it to other districts where matriarchically practices taking places. This study can be identifying the factors of visual merchandising elements.

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