

The Impact of In-Store Environment on Consumer Store Choice Decisions in Sri Lankan Supermarkets

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The supermarkets were initially started in Sri Lanka at 1980's. Whatever the situation, this particular industry began to expand after the year 2000. Today, the supermarket industry is at the growing stage of its Industry Life Cycle. The in-store environment of supermarket outlets were focused in this study and major purpose was to examine the consumer reaction to the in-store environment in supermarkets in Sri Lanka.

This study was based on both primary and secondary data. The primary data were collected from the sample survey that was conducted in the area of Colombo, Kiribathgoda, Wattala and Maharagama. 200 respondents were selected for the survey and respondents were asked to answer the prepared questionnaire. The questionnaire was designed to obtain the customers attitudes regarding major variables of in-store environment in their store choice decisions. In-store environment was grouped into three variables namely Visual Merchandizing, Background Music and In-store Fragrance. The secondary data were collected from relevant journals, books and other published data.

The study revealed that the influence emerged from visual merchandising on consumer store choice decisions is strong and visual merchandising has big impact on store choice decision in Sri Lanka. The background music is moderately influenced on their store choice behavior. The influence emerged from in-store fragrance on consumer store choice decisions is strong.

The researchers recommend that use of more attractive visual merchandising materials in their promotions will help to obtain higher yield. If marketers change the fragrance and use more smooth fragrance will be more significant to patronage customers towards supermarkets. The background music will also encourage customers to spend extra time in supermarkets. It will help to encourage customers to make impulse- purchasing decisions in supermarkets.

Keywords: Supermarkets, Visual Merchandizing, Background Music, In –store fragrance, Store Choice behavior