

The Impact of Visual Merchandising Strategies on Impulsive Buying Behaviour in Fashion Retail Stores in Sri Lanka: The Mediating role of Customer Emotions, among the Youth Generation

K P P S Madhuwanthi

Department of Marketing Management, University of Kelaniya, Sri Lanka
piyumi.shalika701@gmail.com

W M C B Wanninayake

Department of Marketing Management, University of Kelaniya, Sri Lanka
bandara@kln.ac.lk

G D Ekanayake

Department of Marketing Management, University of Kelaniya, Sri Lanka
gimhanie@kln.ac.lk

As the fashion retail industry is highly competitive and growing rapidly. So, retailers are using visual merchandising strategies to differentiate their offerings from others and enhance product satisfaction. The present study mainly aspires to explore how visual merchandising strategies affect impulsive buying behaviour together with the mediating effect of customer emotions among the youth generation, with an emphasis on the fashion retail industry in Sri Lanka. Based on these facts, the study has pointed out six visual merchandising strategies such as window display, mannequin display, promotional signage, floor merchandising, lighting arrangement, and colour combination to study its effect on impulsive purchase behaviour. And also, present research talks about positive customer emotions such as pleasure (happiness, joy), arousal (energy, excitement), dominance (freedom).

The present study uses quantitative research approach. So, primary data was collected from 385 valid respondents who have visited the fashion retail stores in Sri Lanka, during the last six months of year 2024. The data collected through structured questionnaire. The findings showed that customer emotions act as a mediator in the relationship between the visual merchandising strategies and impulsive buying behaviour. Convenience sampling method used for making the sampling framework of the study and quantitative research approach has been used in this study. Data analysis was

done by descriptive, correlation analysis, simple regression, and multiple regression analysis using IBM SPSS Statistics 25.

The result of this present study gives evidence that four dimensions of Visual Merchandising Strategies Mannequin Display, Promotional Signage, Lighting Arrangement, and Floor Merchandising significantly influence Impulsive Buying Behaviour. Within these four strategies, mannequin display, promotional signage and lighting arrangement have a positive significant relationship whereas floor merchandising has a negative impact upon impulsive buying behaviour. Again, the other two dimensions are Window Display as well as Colour Combination, which have not significantly affected impulsive buying behaviour. However overall, the relation of visual merchandising strategies appears to be significantly positive in its positive influence upon impulsive buying behaviour and customer emotions. Furthermore, Customer Emotions mediates the relationship between Visual Merchandising Strategies and Impulsive Buying Behaviour. Therefore, this research contributes to newness in knowledge by elaborating that the influence of visual merchandising strategies on impulsive buying behaviour is strengthened by the mediating role of customer emotions.

Despite these useful insights, the study has some of limitations. The geographical distribution of the sample is biased, with 50% of the responses coming from the Western and Northwestern provinces. This could affect the generalization of the findings to the whole country since consumer behaviour in those less-representative provinces may be very different. Also, the use of self-administered online questionnaires opens up the opportunity for response bias in that participants might misinterpret some questions or answer less truthfully without guidance. Again, the exclusion of qualitative methods such as interviews or focus groups restricts the possibility of deep exploration into the motivations and emotions of respondents.

The study's findings provide actionable recommendations for retailers, both large and small, to improve their store environments. Retailers should prioritize impactful strategies such as mannequin displays, promotional signage, and effective lighting arrangement to evoke positive emotions and drive impulsive buying behaviour. Visual merchandising strategies that resonate with the preferences and emotions of the younger demographic will help drive consumer engagement and increase market share by providing value to consumers. The study will also help consumers understand

marketing strategies and how they should behave during shopping. Furthermore, policymakers can make better decisions by optimizing their knowledge of the fashion retail industry and consumer behaviour.

Keywords: *Customer Emotions, Fashion Retail Stores, Impulsive Buying Behaviour, Sri Lanka, Visual Merchandising Strategies, Youth Generation*