

# **Impact of Visual Merchandising on Consumer Impulse Buying Behavior: With Special Reference to Modern Trade Sector in Sri Lanka**

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Modern trade has become a popular channel in Sri Lanka and it continuously calls for a growing market share in each year. Due to the fact that modern trade's expanding dominance, marketers focus on improving sales in modern trade outlets. This situation has created modern trade channel a highly competitive one. Visual merchandising has become very popular in current modern trade marketing communication mix. Marketing text books refers impulse buying and visual merchandising has a strong relationship.

According to previous research findings, it is identified that Visual Merchandising as one of the important factors which influence consumers impulse buying behavior. Therefore it is important to identify the relationship between visual merchandising factors and impulse buying behavior.

The purpose of this study is to examine the impact of different selected visual merchandising techniques on consumer impulse buying behavior in modern trade. In order to enhance store atmosphere and attract customers in modern trade, they plan and execute different techniques and among them a key technique is visual merchandising. These techniques allow super markets to differentiate their offerings from competitors.

Sample of this study were 200 modern trade customers in Sri Lanka. The research instrument was a set of questionnaires. The data were analyzed using descriptive statistics to find frequency and percentage of personal profile. Then the data were tested using regression analysis and correlation analysis to find the impact of visual merchandising on consumer impulse buying in modern trade.

The result of the study shows that there is an impact of visual merchandising on impulse buying behavior and two visual merchandising techniques are imperative: in-store product display and floor merchandising. This study gives insights to super markets as to which visual merchandising techniques can significantly influence on consumer impulse buying behavior.

**Key words:** *Modern Trade, Impulse Buying Behavior, Visual Merchandising*