

How Visual Merchandising Shapes Apparel Buying Behavior?

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ABSTRACT

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This study investigates how visual merchandising impacts the purchase decision with respect to apparel using accidental sampling technique and the total of 120 respondents. In order to evaluate the relationships between visual merchandising elements and consumer buying behavior, the current research adopts Structural Equation Modelling (SEM) as its primary analysis method. The research concludes the strategic significance of window displays, in-store positioning, and the model styling in influencing shopper behavior, embedded with actionable recommendations to develop a better merchandising strategy.

Keywords: Visual Merchandising, Apparel Buying Behavior, Structural Equation Modeling (SEM), Consumer Psychology, Retail Strategies

INTRODUCTION

By the way people buy apparel, visual marketing plays a large role because it determines how consumers perceive the product and the store the item is sold at. According to Baker et al. According to arens and harris (2002) physical layout (the store plan), provides ambiance, colors and displays to induce sensations pushing the customers to approach the products. If the ability to attract and draw in a shopper then the way a store looks could either benefit or detract from the shopping experience (Underhill, 2009). According to Kotler (1973), Conduct is shaped by environment and visual stimuli create a Lubal environment that is aligned with the target audience.

Bellizzi et al. According to (1983) the manner in which the product is presented visually adds to its attractiveness and perceived value and this impacts consumer decisions. According to the principle of Levy and Weitz (2009), a well organized setting allows the customers to interpret less amount of information, hence buying faster and with more confidence. Morschett et al. According to Ghosh et al (2015), visual merchandising act as a communication medium in which design has its own language to represent a brand personality to represent a brand personality to the consumer which will lead to an emotional experience to the customer and which enlarges the retailing experience easily.

As Solomon (2017) explains, arranging items in a specific order—for instance, according to colour or style—can trigger subconscious buying cues and instil a purchasing need. Miller (2011) expresses similar sentiments by emphasising how a more immersive sensory experience can also contribute to brand loyalty. Keller (2013) explains that an important consideration in visual merchandising is the alignment between brand messaging and visual merchandising at POS, and this alignment is essential for promoting customer recall and increasing conversion. According to Ward and Dant (1998), visual merchandising can have a significant impact on impulse purchase behaviour, namely in the business of apparel, where style and presentation of apparel determines a lot of sales appeal.

This study elaborates that visual marketing goes beyond the surface level, it is an intelligent device for customers behaviour and decision making, including a rational and emotional type.

STATEMENT OF THE PROBLEM

Retail apparel is a very competitive field, with consumer preferences always in change. Apparel brands spend heavily on visual merchandising strategies yet still fail to drive purchase intent. This might lead to lost sales

opportunity. Visual merchandising is known to enhance in-store's environment, evoke customer emotions, and draw attention to products. Yet, it does not specify in what way this will have an actual impact on the purchasing choices of consumers, in terms of apparel, at least. For retailers looking to improve their merchandising tactics, the relationship between the various components of visual merchandising — product presentation, lighting, colour schemes, and layout of the store, just to name a few — is an intangible, imprecise they must navigate.

The present research intends to answer the question; How do Visual Merchandising techniques influence customers decision regarding apparel purchasing? The aptitude of this study will be to investigate the visual merchandising elements and their influence on the apparel consumers decision making, impulsive buying, brand loyalty and valuation views.

REVIEW OF LITERATURE

Huang and Benyoucef (2013) further expand the concept beyond physical stores to discuss the role of visual merchandising in virtual stores. The study focuses on the role of virtual displays, product images, and interactive aspects in influencing consumer responses, with a particular emphasis on brand identification and buy intention on E-Commerce platforms. Like offline real-world store, online visual merchandising creates a certain atmosphere which enhances the emotional attractiveness of the product, which is turning into a consumers purchasing behaviour. Especially for apparel, when touch and sight are closely connected with the process of making a decision, visual marketing on digital platforms plays a crucial part.

Confusing the role of consumer psychological process between store atmosphere (especially visual merchandising) and consumer behaviour Peng (2011). In the findings, retailers had stated that the apparel displays are well planned for the consumer, bright colors and lighting create an atmosphere emotional enough to get influenced for buying. As per the report, stores still need to be eye-tempt and should build fraternal touchpoints that will not only entice customer but also will develop profound emotions and bring pleasure and loyalty.

Saxena and Mishra (2020) investigates the role of visual merchandising on the consumer buying behaviour in one of the fastest growing apparel market i.e. India. According to them visual merchandising methods such a window displays, in-store signage and colour choice are vital in capturing and keeping Indian customers. Their research further states, that visual merchandising directly influences consumer and store image that triggers repeat purchase behaviour.

In the paper, Kumari and Singh (2021) analyse the impact of visual merchandising on shopping behaviour of consumers in tier-2 cities of India, which are undergoing transition in retail, from traditional to new retail formats. Visual marketing techniques, such as colour psychology, themed product displays, and lighting are becoming increasingly important in these areas, they note. These results suggest that retailers, even those in smaller cities, may utilize visual merchandising to influence customer perceptions, increase product attractiveness, and stimulate consumption, thereby promoting growth in the retail sector.

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 Visual Merchandising and Customer Impulse Purchasing Behaviour: Evidence from Retailing
 Choi and Lee (2021) examine the relationship between visual merchandising and customers impulse purchasing behaviour in the retail context. According to their findings, the placement of products, the lighting, and the displays at the window are the three aspects that contribute the most to impulse purchases from customers. The evergreen domain of apparel sector which is quick in adapting fashion trends may take up dynamic visual marketing strategies which can trigger impulse purchase. Their results suggest that retailers should update windows frequently to maintain a new and exciting shopping experience, ideal to enhance consumer attention and buying behaviour.

Dabas and Arora (2022) explore the influence of visual merchandising on Indian retail players, especially garment retailer. It illustrates the ways that strategically using store layout, product placement, and lighting can influence Indian consumers (whose purchases are often made based on social and cultural cues.) It highlights the need to study local customer behaviour and merchandise strategies that suit regional tastes and preferences, which can lead to a substantial uplift in sales.

RESEARCH GAP

Despite the various reviews on visual marketing, there remains a major gap in understanding its distinctive function in predicting consumer buying behaviour, particularly in the apparel sector. Previous studies primarily focus on the general retail environment or on online shopping platforms but do not adequately explore the influence of visual merchandising elements (store layout, colour and other sensory factors) on apparel purchase behaviour. Finally, the potential role of moderating factors like demographics (like age, income, or gender) and environment (fashion trends, seasonality) have not been critically explored. In an attempt to remedy these shortcomings and to gain deeper insights into these dynamics in garment retail, this study conducts Structural Equation Modelling (SEM).

OBJECTIVE OF THE STUDY

1. Examining how store design, displays, and sensory experiences impact consumer behavior (e.g., impulse buying, brand perception) in apparel stores using Structural Equation Modeling (SEM).
2. Evaluating how demographic and environmental factors (age, gender, income, fashion trends, seasonality) moderate the relationship between visual merchandising and consumer behavior.

PROPOSED RESEARCH MODEL

The hypothetical model that we propose examines the influence of visual merchandising attributes on consumer buying behaviour, and has some demographic and contextual characteristics as moderators. The concept is said to amplify visual merchandising elements such as store layout, product arrangement, light designs, colors and sensory stimuli (music and smell in particular) which create favourable impressions on consumers towards products and increase the chances of purchase decisions.

Visual merchandising is an important and invaluable part of building a retail strategy that impacts consumer buying behavior by establishing an attraction for visitors to shop, based on the appeal of their own shopping environment. The framework depicts the impact of multiple visual merchandising factors, that is, store layout, lighting & colour, display technique and atmospherics. An effective store layout facilitates the smooth navigation of a store, encouraging customers to effortlessly explore different products, and lighting and color help to enhance the mood and atmosphere, making the store environment inviting one. Merchandising: Display techniques, such as eye-catching displays for products, mannequins, and signs grab the consumer's attention and provide the product with visibility. Going beyond just a visual experience, including sensory experiences — ambient music, your favorite fragrance, feel of the texture, etc, can engage customers further and help create meaningful shopping experiences. Together these elements of visual merchandising combine together to attract the consumers, arouse interest in consumers, and influence the consumers in making the purchase.

One of the proposed moderating factors in this framework is demographic characteristics, which impact how consumers react to visual merchandising approaches. Things like age, gender, income level, and culture affecting consumer perceptions and behaviors. For example, Below 35-aged consumers may find striking colors, moving digital displays, and immersive shopping experiences more appealing, but above 35-aged shoppers are likely to prefer organized store flows with clear product classifications and orderliness. Likewise, the income level affects the amount of purchasing power and how the participants respond to visual cues that are driven by premium or discount arguments. Social cultures too could mould the perception of consumers in regard to shop aesthetics, where groups of people develop different aspects of colour schemes, store settings and shopping types. To be able to shape your visual merchandising strategies based on these demographic differences is the first step to make your visual merchandising work for specific needs of consumer groups that can be very different in expectation and experience.

This framework analyzes consumer purchasing behavior within four primary categories with specific reference to emotional engagement, brand perceptions, decision-making, and impulse buying. Emotional engagement is the psychological and emotional attachment that consumers build to a store environment (which has a direct impact on time spent and money spent). The importance of an appealing atmosphere which encourages customers to explore your products would create a good emotional response. Conversely, store voids play into brand perceptions; a well-designed visual merchandising reinforces brand identity and value perception. The design of the store and the placement and order of the products affect the decisions of the customers and act as a leader to the planned purchase or an upward expenditure. Lastly, impulse buying behavior is heavily influenced by visual

merchandising, as appealing or enticing window displays, time sensitive promotions, and exciting experiences in the store may lead to an unplanned purchase. These four aspects combined influence how visual merchandising affects consumers behaviour, hence drives planned as well as impulse purchases.

The proposed framework offers a handful of insights for retailers who wish to optimize their merchandising strategies to increase consumer engagement and maximize sales. Visual merchandising that supports the environment of a solid shopping experience is one way to aid brand loyalty among the masses, but also by definition, it is attractive for a demographic. In addition, this offers a basis for empirical studies in the future, which can build on and test this framework to consider which visual merchandising strategies can be used to influence consumer behavior. In simple terms, the customer experience strategies can be analysed in a continuous loop process and the insights of consumers can further help in the refining process to provide the best of store layouts, product configurations, style and overall aesthetics to create happiness in terms of buying experiences and the single point of income in the overall economy of life.

It integrates visual merchandising components and consumer behavior and considers demographic and situational factors that influence the effectiveness of these strategies.

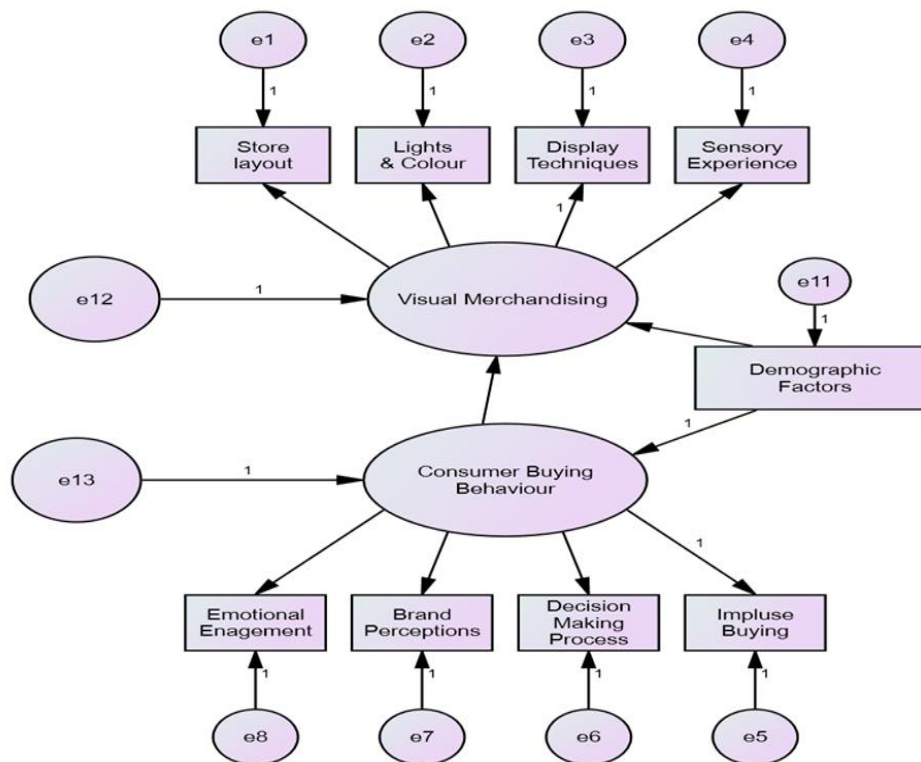


Figure1: Proposed Model

ANALYSIS AND INTERPRETATION

S.No	Demographic Factor	Values	No. of. Respondent	Percentage
1.	Gender	Male	55	45.8%
		Female	65	54.2%
2.	Age	Below 18 Year	29	24.2%
		19 Years – 29 Years	35	29.2%
		30 years – 39 years	31	25.8%
		Above 40 years	25	20.8%
3.	Occupation	Student	44	36.7%
		Private Employee	21	17.5%

		Public Employee	25	20.8%
		Professional	20	16.7%
		Others	10	8.3%
4.	Monthly Income	Less than Rs. 12,000	45	37.5%
		Rs.12,000 – 20,000	22	18.3%
		Rs.20,001 – Rs.28,000	25	20.8%
		Rs.28,001 – Rs.36,000	19	15.8%
		More than Rs.36,001	9	7.5%
5.	Types of Apparel Purchase	Casual Wear	40	33.3%
		Traditional Wear	26	21.7%
		Party Wear	21	17.5%
		Accessories	33	27.5%
6.	Area	Rural	35	29.2%
		Urban	42	35%
		Semi Urban	43	35.8%

Source: Primary Data

The sample is statistically proven with 54.2% of females & 45.8% of males density like female are more interested toward apparel shopping. Respondents' ages are overwhelmingly 19–29 years (29.2%) and 30–39 years (25.8%), but a surprisingly significant slice – 24.2% – are under 18 years (that's because children often do the buying apparel by browsing online with their parents), highlighting the emergence of younger and middle-aged customers purchasing apparel. Of the 1,363 responses, students made up the largest population at 36.7%, followed by governmental employees at 20.8% and private employees not far behind at 17.5%, suggesting cross sector representation, being employed outside of academia. Most of them earn less than ₹12,000 per month (37.5%) while a smaller percentage are at higher income levels. Casual wear (33.3 percent) and accessories (27.5 percent) were the most frequently purchased categories of apparel, signaling a preference for practical and additional goods. capital cities 35.8 per cent of respondents live in semi-urban 35-per cent in urban locations 29.2 per cent rural locations, indicating significant participation from many geographical regions.

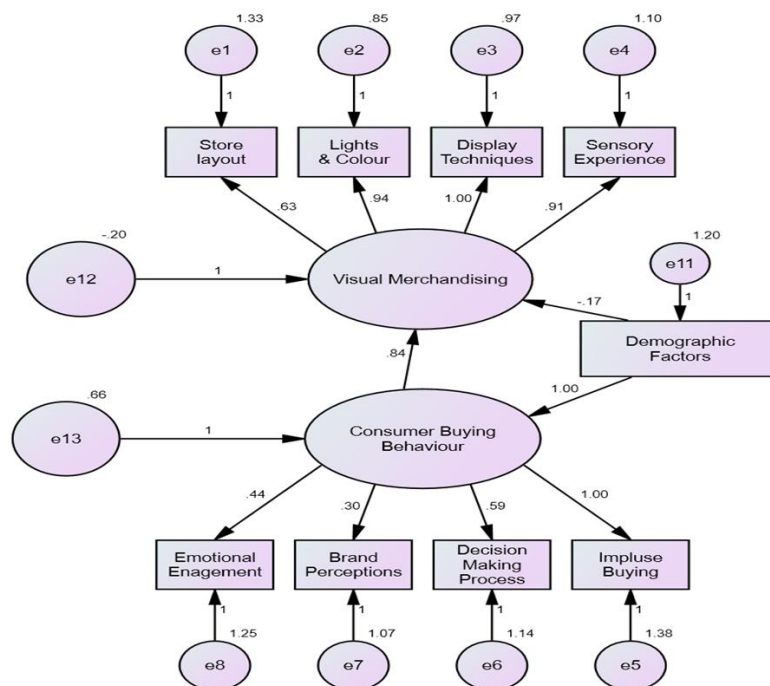


Figure2: SEM Output

Structurally, the model depicts that Consumer Buying Behaviour, the final outcome of Visual Merchandising, is affected by two means, impulse buying and decision making. This indicates that the correlation with consumer behavior and visual merchandising as a whole (0.84) is strong, suggesting that well-planned merchandising strategies have a crucial role in drawing customer interest towards products and finishing a sale. With these improvements to their retail environment, retailers can help potential buyers find the advertisement for the store and push up sales.

Among these components, Display Techniques (1.00); Lights & Colour (0.94); and Sensory Experience (0.91) are the most critical in terms of visual merchandising. It means that enticing product displays, good lighting, and sensory experiences (like music and scents) are must-have components of the shopping experience. Store Layout (0.63) factors into the movement and navigation of a customer within a store and aids in creating flow of the shopping experience.

Though Demographic Factors (-0.17) were found to be moderate variables for visual merchandising, their impact remains insignificant. It means that visual merchandising ideas usually work cross the customer demographic and not depending on gender, age or income class. But slight tweaks based on target segment could improve customer satisfaction and retention even further.

Impulse Buying (1.00) exerts the highest impact on consumer buying behavior, indicating that beautifully decorated windows and store atmosphere favor impulsive purchasing. Further, Decision-Making Process (0.59), Emotional Engagement (0.44) and Brand Perceptions (0.30) are affected as well, signaling that good merchandising not only incites spontaneous purchases but also contributes to a better brand image and emotional tie. Retailers must also prioritize their visual merchandising strategies to ensure that shoppers are walking down the coveted aisle routes and finding the full potential of merchandise in stores and hopefully in carts.

Table 2

Model Fit Indices

S.No	Indices	Value	Suggest Value
1	CMIN	2.920	<5.00 (Hair et al., 1998)
2	AGFI	.981	>0.90 (Hair et al., 1998)
3	GFI	.925	>0.90 (Hu and Bentler, 1999)
4	CFI	.908	>0.90 (Daire et al, 2008)
5	RMSEA	.005	<0.08 (Hair et al., 1998)
6	RMR	.003	<0.08 (Hair et al., 1998)

Source: AMOS

The model fit indices indicate that indirect effect is significant using bootstrapping. Confirm reliability and validity of the model fit indices prove that proposed structural model fits well to the observed data. The CMIN is 2.920, which is lower than 5.00 (Hair et al., 1998), indicating the model does not significantly deviate from the data and sufficiently fits the data. Lower values of CMIN signify the fit is getting better thus the model is more reliable.

Both the AGFI (0.981) and GFI (0.925) are higher than >0.90 cut-off for acceptable fit suggested by Hair et al. Hu & Bentler (1998) and Hu & Bentler (1999). These indices represent the amount of variance accounted for by the model, with higher values consistent with a more accurate model fit. The AGFI and GFI both reflect the structure of the model given the degrees of freedom and high values indicate the model properly represents the relationships between the variables.

Likewise, the CFI (0.908), which indicates a strong comparative fit of the model relative to a null or baseline model and should be greater than 0.90 (Daire et al., 2008). The RMSEA (0.005) and RMR (0.003) are much lower than the desired value of <0.08 (Hair et al., 1998), indicating again that the model has very little residual error, and great explanatory power.

In conclusion, these indices indicate that the model is well-specified and that it represents the data well. As all values are equal to or greater than suggested references, the structural model is confirmed to be valid and capable of explaining the influence Visual Merchandising has on Consumer Buying Behavior.

RECOMMENDATION

1. **Gender Preferences:** According to the data, that women are slightly more open to visual merchandising around apparel, likely due to their higher interest in aesthetics and presentation elements. Retailers can then tailor their methods things like elaborate displays or attention-grabbing lighting to better appeal to female shoppers.
2. **Age-Specific Responses:** Most of the buying bustle comes from younger customers aged between 19 and 39 and thus, they are receptive to trendy and contemporary advertising displays. Trendy displays, loud prints, and eccentric motifs can make it easy for retailers to woo younger shoppers.
3. **Income-Driven Choices:** Respondents are mainly people with lower income, who earn less than ₹12,000. Therefore, we recommend utilizing low-cost visual merchandising strategies like space for promotional displays and goods on discount, as they may be more effective in reaching this demographic.
4. **Category Preferences:** Reflecting the obvious need for accompaniment and complementary products, the selections for apparel (33.3%) and accessory (27.5%) categories. Visual merchandising are techniques that improve appeal and upsell through mannequins and accessorising apparel, for example.
5. **Geographic Influence:** Given a major share of people in metro and semi urban locations, retailers at these places need to focus more on premium displays and sensory occasions. Rural consumers may prefer simpler, and more practical merchandising.

CONCLUSION

Visual Merchandising is a toolkit in effecting Consumer Buying Behaviour particular therefore In the structural model portrayed shows that Visual Merchandising does influence and effect purchases in an impulse basis and getting into the decision making process. Display Techniques Lights & Colour Sensory Experience and Store Layout among others, play a pivotal role in providing the opportunity for an engaging shopping experience by limiting cognitive load and increasing the emotional engagement and brand perceptions. Thus, retailers need to design stores that are not only aesthetically pleasing but also well set out in order to be able to draw foot traffic to their stores and convert sales.

Demographic Factors do not have significant moderating influence but they present in visual merchandising still holds up being an effective aspect in various consumer segments. Well executed visual merchandising strategies works for everybody but can be optimized to focus on a specific target for impacting them even more.

In addition to that, the model emphasizes the importance of merchandising in driving Impulse Buying, given that visually appealing layouts and displays in stores use a lot to stimulate spur of the moment purchases. And the impact on Decision-Making, Emotional Engagement, and Brand Perceptions stresses the need for a well-executed visual merchandising strategy to impact consumer psychology and purchasing behaviour.

To summarize, retailers should focus on beautifying stores, strategically displaying their products and, in addition, introduce sense to the shopping experience. Using these visual merchandising methods, businesses can enhance customer interaction, increase sales and brand loyalty. These concepts can be examined in combination with other peripherals like digital merchandising and technological developments, giving a better story to the effectiveness of visual merchandising in contemporary retail.

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