Impact of visual merchandising on consumer impulse buying behaviour - Case study on Cargills PLC

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Declaration

I declare that this professional project is an original work carried out by me, under the supervision of Ms. Himashi De Mel, Module tutor and submitted in the partial fulfillment of the requirement for the award of International Advanced Diploma in Business Management.

Signature………………………………………..
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Abstract
The Sri Lankan supermarket industry is at the growing stage of the Industry Life Cycle. The Visual Merchandising of supermarket outlets were focused in this study and major purpose was to examine the customers’ reaction to the Visual Merchandising in Cargills supermarket in Sri Lanka. In order to enhance supermarket environment and attract customers, supermarkets use and implement different important techniques such as visual merchandising. These techniques allow supermarket retailers to differentiate their offerings from the other competitors in the market. The purpose of this research is to study the correlation and effectiveness of different selected visual merchandising techniques on consumer impulse buying behavior. The result of the study shows that there is a undeviating relationship between customers’ impulse buying tendency and visual merchandising techniques. This research gives insights to retailers as to which visual merchandising techniques can significantly influence customers’ impulse buying behaviour. The primary data was collected from the survey that was conducted in Colombo. The secondary data were collected from published sources. The study revealed that the influence emerged from Store layout and In-store product display on consumer store choice decisions is very significant. The promotion signage and product shelf presentation moderately influenced their store choice behavior. The overall conclusion is that visual merchandising has significant impact on store choice decision of customers in Sri Lanka.
Chapter 01: Introduction

1.1 Project rationale and significance

The significance of this project is that the author would get to know the impact of visual merchandising on consumer impulse buying behaviour. Visual merchandising includes all the various activities and actions which are done to correlate and merge different kind of merchandise selections with productive and powerful mode of merchandise display (Walters & White, 1987). Consumer buying behaviour can be defined as the physical activity and the decision process which is undergone by an individual when deciding, obtaining, purchasing, using and discarding the service or product (Madaan, 2009). For this reason Levi and Witz (2009) believe that visual merchandising creates a platform where all the important functions in a supermarket retail outlet will be performed, such as effectively communicating with the consumers, thereby strongly influencing the consumers buying behaviour which in result would drastically improve the overall sales and profitability of the business (Seock and Eun-Lee 2013). The main principle of this study is to assess the impact of visual merchandising on consumer impulse buying behaviour in the retail supermarket industry in Sri Lanka. It is important to identify the different Visual merchandising methods that would attract the consumers and impact their buying behaviour. The researcher plans to carry out this research in depth since no other researches was carried out in this topic to the best knowledge of the author.

1.2 Background to the industry

Retail supermarket industry in Sri Lanka has improved immensely in the last few years, there are several major supermarket companies in Sri Lanka and especially the privately owned supermarket companies are expanding their businesses to rural and urban areas drastically due to heavy influence of the western culture in Sri Lanka and the emergence of a wealthier circle of consumer and the newly acquired lifestyles of customers. Due to higher demand certain supermarkets have opened additional branches at the same city in order to efficiently cater their customers.

The Sri Lankan supermarket industry was initiated in Sri Lanka in the British colony era under the department stores named Cargills and Millers. However, the Sri Lankan super industry started to function in the early 1980’s, and from then the super market industry has been rapidly growing, statistics show that there has been a rapid growth after the years 2010, this growth is mainly due to end of the 30 year long civil war which led to the opening of
many restricted areas in the country and improved the flow of trade for major supermarkets. As per the data available there are more than 450 FMCG products in the main areas of the country. The two major supermarket companies in Sri Lanka that dominate the industry are Cargills and Keels super. These major Super market companies have more than 150 outlets across the countries, other than these two companies there are other supermarket chains who also operate in the island, such as Arpico, Sun-up and Crystal.

1.3 Current situation of the company
Sunday Times, (2013) states that Cargills has a market share of 45% in the Sri Lankan food retail industry. Moreover, Cargills (2013) states that demand for branded products which are owned by retails have a very high demand due to minimal proves, great array of variety and very high quality. Cargills has undertaken an aggressive type of expansion plan of the FMCG sector in order to ride in the growth potential of a growing economy. Cargills have better merchandising techniques in place and Cargills Sri Lanka invests more on shelves and overall appearance that would act as an effective visual merchandising tool than any other competitors in the country (Razak, 2010). Cargills gives importance to visual merchandising because they have a lot of in-store displays, and attractive products sold closer to the cashier counter, areas such as bright lighting and cleanliness of the supermarket should be looked into and improved because they are a very important techniques of visual merchandising and they play a huge role in a customer’s satisfaction and shopping experience.

1.4 Academic aim and objectives
The researcher intends to research in depth how visual merchandising contributes to consumer impulse buying behaviour in the supermarket industry in Sri Lanka.

1. To review literature on visual merchandising and features of visual merchandising that influences the consumer buying behavior.
2. To review literature on consumer impulse buying behavior and the characteristics of consumer impulse buying behavior.
3. To conduct a research in the form of questionnaires in order to find the impact of visual merchandising in consumer impulse buying behavior.
4. To formulate conclusions and make recommendations to visual merchandising and consumer impulse buying behavior in the Sri Lankan supermarket industry.
1.5 Outline of chapters
The next part of this research will discover the background literature of the study to understand existing theoretical evidence and to determine the future path. Thereafter in the following chapter, the details on data collection and the methods in which the data were collected will be discussed. Finally findings of the research are thoroughly analysed and conclusions are provided thereafter.
Chapter 02: Literature Review

2.1 Introduction to literature review

Dawidowicz (2010) states that, Academic literature review incorporates the use of right and suitable peer evaluation on professional work done by others on similar articles. Further, Davidowicz (2010) puts forward literature review as a well organised examination or study of knowledge which is available on a selected topic. In addition, Boote (2005) states that, literature review should include a theoretical support for the study which helps understand and evaluate the nature of the research by the researcher. Literature review is the transfer of the idea and knowledge of the created topic to the reader Boote (2005), which would give the reader a clear understanding about the topic’s weaknesses and strengths. Likewise, Ridley (2008) mentions that, an individual elaborates their work at the best form possible in order to develop a strong foundation for their research.

2.2 Introduction Visual merchandising

Visual merchandising is the effective presentation of merchandise or a store in a manner which would successfully attract the attention of potential customers in that intended market and boost the overall sales for that product (Bastow-Shoop et al. 1991). Additionally, Ebster and Garaus (2011, p.77) indicate that visual merchandising is a mixture of both science and art is showed off by the merchandise in the most visually attractive way possible , by including attractive images or presentations which would effectively communicate with the customers. Diamond and Diamond (2003) emphasises on the need of visual merchandising and how it effectively contributes to the success of a brand or an organization. The authors state that by implementing an efficient visual merchandising strategy would attract all the possible customers and motivate the customers to purchase the products.

Likewise, Wanninayake and Randiwela (2007) state that visual merchandising related to how the brand or product visually communicates with the customer and whether the transfer of message is successfully decoded by the customer. However, Schimp (1990) states that visual merchandising does not have a strong contribution towards a customer’s decision. Furthermore, Schimp (1990) states customers purchase the product since there are psychological factors which make them think that visually overdone products are products of low quality and standards. Likewise, Walters and White (1987) similarly states that that companies spend a lot of money on visually improving the product or a brand in order to divert the attention of the potential customers away from low quality products that they are
likely to purchase and makes them pay more attention towards the brands visual appearance and the overall outlook of the product.

2.2.1 Different techniques of visual merchandising

Mill et al. (1995) explains that there are two different ranges for visual merchandising, which ranges from interior to exterior range of presentation. It includes exterior displays – windows, interior displays such as floor and wall merchandising and form displays with promotional signage. In addition to that, Omar (1999) mentions that there are three different kinds of interior displays which are architectural displays, form displays and point of sales displays. Furthermore, Harris (1998) state that space floor layout, shelf space techniques, lighting, colour and cleanliness are other important visual merchandising techniques. On the contrary, (Iqba et al., 2011) argues that different lighting colour techniques are risky since they may negatively contribute towards an individual’s decision of purchasing a product which could lead to lower sales. Similarly, Bustos (2004) argues that window displays and presentations are often ignored by store keepers and that this could negatively impact the business since potential customers may decide to enter the store if they are unattractive.

In addition, Bustos (2004) states that stores can use mannequins since mannequins will drastically improve the visual output and appeal the products that are displayed which is a key factor in provoking the customers to make purchases (Kerfoot et al., 2003). The store cleanliness plays a vital role in a store, since cleanliness of a store will showcases an luxury image that would attract consumers due to the pleasing environment and keep them retained inside the stores Gajanayake et al., (2011). Likewise, Ebster and Garaus (2011), state that cleanliness will result in an increase in willingness to shop by the customers with an improvement in frequency to shop and the length the customer will be shopping for. Furthermore, there are other important components in the store such as lighting and colours which are also considered to be visual merchandising techniques because colours contribute towards psychological and physiological effects on the consumers (Bellizzi et al.1983)

Moreover, McGoldrick (2002) undertook an experiment to study the effects of colours upon attraction to store image and displays which resulted that warm colours are more suitable for store windows, environment or department and entrances which leads to triggering unplanned purchases. However warm colours could create an uncomfortable surrounding where an important buying decision is likely to be made. (Bellizzi et al.1983). Summers and Herbert
(1999) state that by having a better lighting point of view would illuminate the merchandise which will encourage the customers to shop around and increase the chances of making a purchase. In addition to that, Rook (1987) claimed that bright lighting in shops would trigger impulse purchases. However, Areni and Kim (1994) noticed that bright light will just make the customers examine the product more, but does not influence the customer to make impulse purchase decision.

Different existing techniques of visual merchandising has been partly stated in the previous section, the following selected techniques will be investigated and described through this thesis.

- Store layout
- Promotion signage
- In-Store product display
- Product shelf presentation

2.2.1.1 Store Layout

Davies and Tilley (2004) state that store layout is how the different aisles and sections of a store is systematically arranged in a manner to get the shoppers to buy more and shop longer. Therefore, a store layout should be created which would have a positive impact on the consumers’ decision to purchase. (Davies and Tilley, 2004). Furthermore, McGoldrick (2002) mentions that retailers now benefit by using various computer software’s which would help them plan and design the store layout more efficiently and maximize the overall turnover. On the other hand, Abratt and Goodey (1990) argues that results obtained from software’s are unreliable and would not cater to all the specific needs required in a store layout and thereby states that a person with expertise should be hired to design the store layout effectively. Borges (2003) mentions that there are many kinds of layouts that exist and the retailers should choose the right kind of layout that will suit their business by strictly considering the type of the merchandise. The most common store layouts that the retailers mainly choose to implement at their stores are the free-flow layout, grid pattern layout and the forced-path layout. (Borges.2003).
Free-flow layout

Ong (2002) states that free-flow layout is distinguished by shelves, aisles and displays that are placed in a free-flowing manner or pattern. Hence, the customers at the store have more freedom to move around different fixtures of the store in order to make purchases. Free-flow layout enhances the atmosphere of the store and the visual appeal thereby the customers are likely to make unplanned purchases. (Ong, 2002). On the other hand, the cost of implementing this is high compared to other store layouts. (Iqba et al., 2011).

Grid Pattern layout

Grid Pattern layout is commonly used at supermarkets, where the store layout consists of rows of parallel fixtures and long aisles. Grid layout increases the chances of the products to be exposed and consequently by forcing the customers to walk around the store. (Ong, 2002). Products such as dairy, meat and fish which are commonly fast moving at supermarkets are kept at the back of the store in order to increase the flow of customers inside the store thereby exposing them not only to the products they thought of buying but also exposing them to other products and influence unplanned purchase. However, Mehrabian (1976) argues that customers find it difficult to walk a long distance within a store which has a grid layout, which could result in them not return to the shop again in the future.

Forced-path layout

The forced-path layout forces the customer to go through a certain path in the store which increases the chances of the customer to get on contact with the products therefore increasing the chances of impulse purchases. (Peter and Olsen, 1998). Moreover many authors have defined store layout as in very important stimulant of consumer impulse buying behaviour and with the presence of a well-trained salesperson can increase the chances of unplanned purchases (Iyer, 1998).

2.2.1.2 Promotional Signage

Promotional signage is defined as a “wording used either alone or in conjunction with in-store display to convey product or promotional information to customers with the Purpose of informing and creating demand for the merchandise” (Jiyeon, 2003). According to Point of purchase advertising institute (POPAI), in-store promotional signage’s influences up to 53 to 60 percentage of consumer purchases. IN-store promotional signage’s provides the customers information which helps them with their buying decision. Efficient use of promotional signage at a store will boost the company’s sales and increase the overall revenue (Gutierrez,
Consumers tend to make impulse purchases due to the influence of the in-store promotional stimuli (Jiyeon, 2003). On the contrary, Bustos (2004) states that promotional signage does not affect the customers with significant influence and that the customers fail to pay attention to these signage’s, therefore this layout to be ineffective.

2.2.1.3 In-Store product display
Omar (1999) explains in-store display include three different categories: architectural or artistic display, merchandise display and point of sale display which is generally located at cashier point. In-store product displays main purpose is to create a desire amongst the customers to purchase the product by displaying them in the most attractive way possible (bastow-shoop et al., 1991). Abraham and Goodey, 1990) state that consumers are usually attracted to a product in a display within three to eight seconds, which is the time need for the customers to determine and show interest in a displayed product. In addition to that, product placement plays a key role as in-store stimuli influencing impulse purchases (Abraham and Goodey, 1990). Stern (1962) mentions that in-store displays are a determinant of impulse buying and retailers are very keen to improve and increase the magnitude of impulse purchases within their stores through product and store displays. While, Bellizzi et al. (1983) state that in-store product displays might distract customers when trying to make a purchase due to the determinants not working in favour of the in-store display.

2.2.1.4 Product Shelf Presentation
Efficient product presentation plays a huge role since it influences sales and the customers’ buying behaviour, furthermore research shows that shoppers ignore up to third of the packages in a shelf (Young, 2007). However, customer brand recognition is affected with improper product placements on shelves (Sigurdsson et al., 2009). In addition that, Sigurdsson et al., (2009) state that customers have implicitly learned that top brands are allocated on the top shelves by the retailers. Peak and Peak (1977), state that the position of the shelf influences the sales of supermarket products. Given the tendency of the consumers to mainly focus on the products located at the eye level. In addition to that, Christenfeld (1995) mentions that several packages of similar products are displayed on a shelf side-by-side, customers have the tendency to choose the product that is placed in the middle. The tendency is based due to more attention given to buyers for products kept in central positions (Chandon et al ., 2009). However, Hoyer (1984) argues that shelf effects are higher when consumers are not mainly involved in the purchase process due to factors such as lack of time.
2.3 Introduction to Consumer Impulse buying behaviour
Youn & Faber,(2000) state that impulse buying behaviour of consumers has been considered a common and peculiar occurrence in the American lifestyle which has been earning an increase attention from consumer researchers and theorists. On the contrary (Ainslie, 1975; Levy, 1976; Rook & Fisher, 1995; Solnick, Kannenberg, Eckerman, & Waller, 1980), state that even though the negative aspects of consumer impulsive buying behaviour from the prior research, stating that consumer impulse buying behaviour as an unreasonable behaviour. Alternatively, (Bellenger et al., 1978) mention that consumer impulse purchases accounts for an extraordinary and sizeable sales across many range of product categories. Furthermore (Bellenger et al., 1978) also state that a study which was made found that consumer impulse buying behaviour resulted in purchases of between 27% and 67% of all department store purchases. Hence, the popularity of consumer impulse buying, for even high end upscale products in the market, led the consumer behaviour researchers to look at impulse buying behaviour as an instinctive individual attribute, rather than a comeback to inexpensive product contribution (Cobb & Hoyer, 1986; Rook, 1987).

2.3.1 Internal motivators
Shapiro (1992) describes these factors as unforeseen desire to go out and purchase something without visual encounter. Among them, there is self-discrepancy i.e. a difference between actual self and ideal self (Kalla & Arora 2011). Dittmar (2005) found that this habit in shoppers leads to excessive shopping, and they are more motivated to purchase goods, in order to strengthen their self-image and they reported greater “gaps” between how they see themselves and how they wish to be seen. They did more impulse buying and they regret it more. Verplanken et al.(2005) assert that low self-esteem is also a reason that leads to impulse buying as a mean of psychological relief.

Singer (1966) suggests that hedonic consumption is tied to imaginative constructs of reality. What Customers desire reality to be is what hedonic consumption acts are based on, rather than what consumers know to be real. This motivator can be related to the concept of self-discrepancy described above (Dittmar, 1992; Lunt and Livingstone, 1992). This dissimilarity between real and desired craving could play a role in invoking impulse.

Piron (1989, 1991) noticed another important stimuli in motivating impulse purchases in consumers, which are autistic stimuli. Autistic thoughts are resulted in response to internal impulses and are self-contained and self-serving (Kalla & Arora 2011). They don’t follow logic or rationality and are frequently associated with passion and feelings. Consequently,
Hirschman (1985) asserts that autistic stimuli can have strong suggestive power and can result in impulse buying.

2.3.2 External Motivators
Unlike internal motivators, external factors are influenced by the retailers. Here, consumer impulse buying behaviour is triggered and influenced by many shop related factors such as visual stimulus, shopping format, display, shelf space, store environment, discounts, ambient factors, social factors perceived crowding, ownership of credit card (Kalla and Arora, 2011).

Visual stimulus experienced accidentally by the shopper can generally be the product itself (Liang and Meng, 2008) or promotional signage (Piron, 1991). Rook and Hoch (1985) suggest that consumer impulse purchase is driven by the environmental spur and is followed by an unexpected desire to obtain the product. According to previous research on “impulse buying”, related to “encounter with the object”, the latter one is seen as a very powerful trigger to the act of impulse buying (Kalla and Arora, 2011). Sticking to Rook’s researches (1987), he suggests that it is consumers find it very difficult to refrain from the desire in the moments following their encounter with the goods. Therefore, Vohs and Faber (2007) claims that, touching, tasting, sniffing and physical proximity with the product bolster the desire to purchase it.

2.4 Synthesis of Literature review
Although, there are other definitions, in simple terms, visual merchandising is the effective presentation of goods sold inside a store which would attract the customers in order to increase sales and improve the overall profit level of the company Bastow-Shoop et al., 1991; Ebster and Garaus, 2011; Diamond and Diamond, 2003; Wanninayake and Randiwela, 2007.

Store layout is how the store is arranged with aisles and floor area which would make it easy and effective for customers to shop Davies and Tilley, 2004; McGoldrick, 2002; Borges, 2003. Promotional signage is how the product and product information is conveyed to the customers through different promotional mediums Jiyeon, 2003; Gutierrez, 2004. In store product display is how goods are displayed within the shopping environment which would have an impact on the consumers’ Bastow-shoop et al., 1991; Abraham and Goodey, 1990; Omar, 1999. Product shelf presentation is how products are presented in the shelves of a store which would result in attracting the customers Young, 2007; Sigurdsson et al., 2009; Christenfeld, 1995. Consumer impulse buying behaviour is the behaviour of consumers where they tend to make impulse purchases Youn & Faber, 2000; Bellenger et al., 1978.

Internal and external motivators are different factors that influence consumers impulse
buying behaviours Kalla and Arora, 2011; Dittmar, 2005; Liang and Meng, 2008; Piron, 1991.

2.5 Chapter Summary
Firstly this chapter talked about the definition of visual merchandising, moving on to the different techniques of visual merchandising and how it is used and how it contributes to wards impulse buying behaviors of consumers. Following that, consumer impulse buying behavior was defined. Moving on, necessary attention and discussion was given to internal motivators and external motivators of consumer impulse buying behaviour.
Chapter 03: Methodology

3.1 Introduction

Research methodology is the way to analyse and find out the given problem on a specific matter (Williams, 2011). Research can also be defined as the way to acquire knowledge (Kothari, 2004). Furthermore, Saunders, Lewis and Thornhill (2003) states that a research will not be considered as a completed research if it is not done in a systemic manner and precisely with flawless persistence. Any research needs attention which should be significant to the research methods and the proposed data. In this section, we have provided information on how to develop a research design for a study (Smolkowski, 2007).

3.2 Research Choice and Philosophy

3.2.1 Research Choice

There are two types of research methods used in any research; they are Qualitative method and quantitative method. Qualitative research is done when there is qualitative event or occurrence (Wyse, 2011). Wyse (2011), states that qualitative research is aimed to discover the desire and motives using in-depth interviews for the purpose and that it is used to find trends in opinions and thoughts. Quantitative research is based on measurement of meaningful data that can be expressed in terms of quantity (Sumuel, 2012). Quantitative method is used to compute the problem by developing numerical data which could be changed into useable statistics. Quantitative method helps to quantify behaviours’, opinions, attitudes and other quantifiable variables and simplify research results from a higher sample population (Wyse, 2011). Deductive approached is mainly applicable on quantitative data whereas inductive approach is mainly on qualitative data.

Table 1 Difference between quantitative and qualitative methods

<table>
<thead>
<tr>
<th>Qualitative methods</th>
<th>Quantitative methods</th>
</tr>
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<tbody>
<tr>
<td>Text based information</td>
<td>Number based information</td>
</tr>
<tr>
<td>inductive process used to express the theory</td>
<td>deductive process used to exam pre-</td>
</tr>
<tr>
<td></td>
<td>specified ideas</td>
</tr>
<tr>
<td>Systems include focus groups, interviews,</td>
<td>Surveys, structured interviews &amp;</td>
</tr>
<tr>
<td>and reviews of documents</td>
<td>observations, and reviews of records or</td>
</tr>
<tr>
<td></td>
<td>documents for numeric data.</td>
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</table>
3.2.2 Research philosophy

When performing a research, it should be very clear how the research should be done and how the data collection and analyses will take place, therefore the research philosophy explains the frame of the study. Bryman and Bell (2011) states that the two most important ways of thinking about research philosophy are ontology and epistemology, from which epistemology consists of positivism, interpretivism and realism. On the contrary, Collins (2010, p.38) states that interpretivism is ‘predicated upon the view that a strategy is required that respects the difference between people and the natural science’. Positivism is the type of methodology that sees the argument that is already present with the correct data and support. Positivism helps to merge these ideas and thoughts to practical values that are meaningful. Findings of the study of this methodology are that the study is directed in a value free environment thereby this will make limitation where the researcher of the methodology would not be able to exploit or be exploited by this research topic. According to Arnheim, (2001), the main concept of realism is to observe the true impartiality in the minds of humans. (Pkwule, 2001) states that interpretivism is a belief which is preferable and cooperative in the investigations into marketing and organizational behaviour of the company. For this research, positivism methodology is used to gather data and analyse the information through the medium of questionnaires; therefore this research would allow the researcher to conclude on actual information collected directly from the customers.

Data was collected from the consumers of the supermarket using quantitative approach method. The target customers in the supermarket were requested to participate in the research study. Questionnaires regarding the research were sent to individuals who agreed to participate in the study. Each questionnaire was allocated a time limit of 10 minutes and the participants should fill the questionnaires within this time period. The participants were asked to respond to every question in the questionnaires to ascertain the impact of visual merchandising on consumer impulse buying behaviour.
3.3 Research Strategy
Since surveys are beneficial for setting findings into context (Collins, 2010), and it is more appropriate for a small scale -project research, a survey will be carried out within the sample population for the purpose of data collection of this analytic study on the impact of visual merchandising on consumer impulse buying behaviour. Collins (2010) further points of that survey can be carried out in the form of questionnaires or interviews and contain specifically determined content in an attempt to define response bounds. The survey for the data collection of this research will be carried out in the form of questionnaires consisting of 21 questions. Surveys can be administered in electronic format or in print format. For this study, the survey will be carried out via electronic means, i.e. questionnaire will be issued as Google forms. The researcher is hoping to get at least 80 responses in order to draw a reliable conclusion from the sample about the significance of visual merchandising on consumer impulse buying behaviour.

3.4 Population and Sampling
Yount (2006) states that sampling is the process of choosing a group of individuals or subjects for a research study in such a way that the participants would represent the larger group from which they were selected. The target group for this research was selected from Colombo District, Western Province Sri Lanka, with a district population of ‘2,323,836’ (Census population and housing 2012). These individuals should have prior experience in retail shopping at supermarkets, since the study analyses the impact of visual merchandising on consumer buying behaviour in the Sri Lankan retail Industry. Therefore the aimed sample of this study should customers of supermarkets who have shopped at least once at a supermarket. In this study, convenience sampling was used to collect data from the research participants. Convenience sampling method is the easiest way to obtain data from participants who have agreed to take part in this study. Convenience sampling is difficult to generalize the sample but the method has the ability to issue and collect questionnaires at the same time (Royse, 2003). Social media was used to generate the survey from which the data was collected from respondents.
3.5 Pilot survey
Pilot survey is a small scale trial prior to the main survey that tests your entire question planning (Collins, 2010, p.131). It is a pre study to check the limitations of questionnaire which aids in assessing the feasibility study. With the prepared questionnaire consisted of 21 questions, within the expected age group of age 18-25, the pilot test was conducted for 5 respondents. Author did not find any difficulties when performing the pilot survey, because the questions for the interview were very simplified and all questions was easily understood by the survey participants.

3.6 Data collection techniques
Many data collection methods are available, which are; questionnaires, interviews, case study, observations, telephone interviews etc (Pawar, 2004). In this research study, questionnaires were used to collect data from the participants since it enable targets by getting corresponding answers from all the participants (Wegner, 2007). The data collection was carried out online, the main objective of the questionnaire survey was to identify the degree of influence visual merchandising has on consumer buying behaviour. The survey questionnaire comprised of close ended questions which includes multiple choice questions, dichotomy questions and lickert scale. The secondary date was gathered using books, journals, internet and newspaper articles which has been both locally and internationally published.

3.7 Limitations of the methodology
One of the main limitations faced by the author was time management, since many participants delayed the time period in responding the questionnaires. Another limitation would be whether the participants took the survey seriously without just answering the questionnaires for the sake of answering. While doing this research, author found several limitations that is associated with the research. The main limitation was time and financial constraint which limited the findings to Colombo area and limited the number of respondent to 72. The researcher has chosen only one main supermarket company which has captured more than 45% market share in the Sri Lankan supermarket industry and the other companies were not given much priority.
3.8 Ethical approach to research
Principles that govern behaviour towards the rights of those affected by research conducted are known as ethics (Saunders et al., 2012). In this research the primary data was gathered in an ethical way from the participants, no participants were forced to take part in this survey. All the results obtained from the survey would be kept confidentially.

3.9 Chapter Summary
Firstly an introduction was given to the chapter, following that author has given a brief note in research. Next, research philosophy and research choice of the project is described. Then the population of the project has elaborated. At last limitations and the ethical approach of the research were described by the author.
Chapter 4: Findings and Analysis

4.1 Introduction
This chapter will continue to interpret the objectives of this research with use of quantitative methods mentioned in chapter three with regards to the literature searched in chapter two.

Data were subject to statistical analysis such as descriptive statistics and frequency distribution. Using Microsoft Excel, which is time consuming and effective to draw pie charts and bar charts, researcher has assessed the result and also the researcher has mentioned the relation between the literatures with the indicators of the questionnaire analysis.

4.2 Presentation of the finding

Question 1

Table 2 Gender of the respondents

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>In order to identify the gender of the survey participant</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is your Gender?</td>
<td></td>
</tr>
</tbody>
</table>

![Gender Pie Chart]

- 60% Male
- 40% Female
Primarily this question was included to the questionnaire to classify the findings based on the attitudes, since the author of this research believes that the satisfaction level and expectations and needs differ according to the gender of the customers.

It is inferred from the above graph that maximum 60% respondents were females and 40% were males. As per the rate of response, it is clear that female respondents had been very keen in participating in the survey, after reading the introduction of the questionnaire.
Primarily this question was included to the questionnaire to classify the findings based on the attitudes, since the author of this research believes that the satisfaction level and expectations and needs differ according to the age of the customers.

It is inferred from the above graph that maximum 46% respondents were in the age group of 21-25, and 3% were above 30 years. As per the rate of response, it is clear that respondents between the age group of 21-25 had been very keen in participating in the survey, after reading the introduction of the questionnaire.
**Question 3**

*Table 4 Customer of super market*

<table>
<thead>
<tr>
<th>Main Aim</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In order to make sure that the survey participant is from the target group</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am customer of Cargills supermarket</td>
<td></td>
</tr>
</tbody>
</table>

Sunday Times, (2013) states that Cargills has a market share of 45% in the Sri Lankan food retail industry. From the results obtained from the research 85% of the participants are customers of Cargills supermarket, therefore this clearly shows the cargills has a very good customer base and they are the market leader in the industry.
**Question 4**

*Table 5 Frequency of visit*

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To find out how frequently do customers visit Cargills.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I visit Cargills supermarket</td>
<td></td>
</tr>
</tbody>
</table>

**Frequency of visit**

![Frequency of visit chart]

From the results obtained, the majority of the customers visit Cargills supermarket weekly with a survey result of 35%, this shows that the loyalty of the customers to the brand is pretty good and this loyalty should be used well by improving merchandises visually in order to improve sales in the future and increase the number of customers to visit the supermarket higher.
**Table 6 Average time spent**

<table>
<thead>
<tr>
<th>Main Aim</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>To obtain the average time spent inside the supermarket and see how effective visual merchandising techniques impact a customer’s shopping duration in the supermarket</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>The average duration of shopping I do at Cargills supermarket is</td>
<td>Davies and Tilley (2004) state that store layout is how the different aisles and sections of a store is systematically arranged in a manner to get the shoppers to buy more and shop longer.</td>
</tr>
</tbody>
</table>

Davies and Tilley (2004) stated that store layout which is a type of visual merchandising technique plays a huge role in retaining the customers within the supermarket premises and promote further unplanned sales improving the overall revenue and profitability of the supermarket. As its clearly evident from the pie chart, 50% of the customers are spending less than an hour for their shopping, therefore it is considerably good since that the average time
spent within the supermarket and this shows that visual merchandising is been effectively put in place, this could be further improved by increasing the visually merchandising aspect in the supermarket more and retain the customers to stay longer in order improve overall revenue.
**Question 6**

*Table 7 Attractiveness of presentation*

<table>
<thead>
<tr>
<th>Main Aim</th>
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</thead>
<tbody>
<tr>
<td>To identify whether the presentation of goods is attractive.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I was attracted by the effective presentation of goods at Cargills supermarket</td>
<td>Visual merchandising is the effective presentation of merchandise or a store in a manner which would successfully attract the attention of potential customers in that intended market and boost the overall sales for that product (Bastow-Shoop et al. 1991)</td>
</tr>
</tbody>
</table>

Bastow-Shoop et al (1991) states that effective presentation of merchandise in a store will definitely attract the customers’ attention towards the product which would in order improve the sales because the customers will tend to make unplanned purchases. 54% of the customers have voted yes, that effective presentation of products does attract them.
Question 7

Table 8 Influence of presentation on customers

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>To see whether effective presentation influences customers to purchase the product</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective presentation of goods in shelf influences me to purchase the products off the shelf</strong> (1=More likely to purchase; 5= Less likely to purchase)</td>
<td>Diamond and Diamond (2003) emphasize on the need of visual merchandising and how it effectively contributes to the success of a brand or an organization. The authors state that by implementing an efficient visual merchandising strategy would attract all the possible customers and motivate the customers purchase the products off the shelves.</td>
</tr>
</tbody>
</table>

Ratings for effective presentation

Diamond and Diamond (2003) and Bastow-Shoop et al. 1991 states the importance of visual merchandising of a product and its effective presentation will directly have an impact on a customers buying behaviour, which would lead them to purchase the product. From the results obtained, 30 participants state that effective presentation of a good does impose a decent amount of impact towards a customers buying behaviour.
Peak and Peak (1977) states that position of a product in a shelf promotes sales in the supermarket, and when comparing that statement with results obtained from the survey, it is clearly evident that it is very true since 71% of the survey participants have agreed to this statement.
Question 9

Table 10 Position of the shelves

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>To identify which position of the shelves attract customers the most and promote sales.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I tend to purchase products off the shelves mainly from the</td>
<td>Sigurdsson et al., (2009) state that customers have implicitly learned that top brands are allocated on the top shelves by the retailers.</td>
</tr>
</tbody>
</table>

Sigurdsson et al., (2009) states that top brands are allocated in the top shelves, but this is contradicting with the survey obtained since 71% of the customers tend to purchase more from the middle shelf.
Question 10

Table 11 Impact of effective packaging

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>To see the impact of effective packaging on consumer purchase decisions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>The packaging of a product and its overall look influences my purchasing decision</td>
<td>Wanninayake and Randiwela (2007) state that visual merchandising related to how the brand or product visually communicates with the customer and whether the transfer of message is successfully decoded by the customer.</td>
</tr>
</tbody>
</table>

49% of the customers have said that the packaging of a product and its overall look influences a customers purchasing decision, so packaging which is a very important technique of visual merchandising does have a significant impact on consumer behavior.
Question 11

Table 12 Impact of store layout

<table>
<thead>
<tr>
<th>Main Aim</th>
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</thead>
<tbody>
<tr>
<td>How store layout improves both quality of shopping and experience</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenient floor layout of Cargills improves my quality of shopping and experience.</td>
<td>Davies and Tilley (2004) state that store layout is how the different aisles and sections of a store is systematically arranged in a manner to get the shoppers to buy more and shop longer</td>
</tr>
</tbody>
</table>

Convenient store floor layout improves the overall shopping experience because when the store aisles are arranged well it would result in a quality shopping experience which would also make the customers stay long and purchase more products from the supermarket. And it is clearly evident that the statement is true because the survey results clearly show that 90% of the survey participants vote that convenient floor layout improves their shopping experience.
**Question 12**

*Table 13 Impact of lighting*

<table>
<thead>
<tr>
<th>Main Aim</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The assess the impact of lighting on the consumers shopping experience</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting at Cargills improves my quality of shopping and experience. (1= Strongly agree; 5= Strongly disagree)</td>
<td>There are other important components in the store such as lighting and colours which are also considered to be visual merchandising techniques because colors contribute towards psychological and physiological effects on the consumers (Bellizzi et al.1983)</td>
</tr>
</tbody>
</table>

Bellizzi et al.(1983) states that lighting imposes a psychological effect on the customers therefore it should be done right in order to effective influence the customer shopping experience. The survey
88% of the customers have voted positively stating that they are attracted towards brand mannequins and shelves, therefore as said by Bustos (2004) once the customers are attracted by these mannequins and shelves they are provoked to make purchases.
Question 14

Table 15 Psychological impact

<table>
<thead>
<tr>
<th>Main Aim</th>
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</thead>
<tbody>
<tr>
<td>To assess the psychological behaviors of the consumers</td>
</tr>
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<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel excited when making an impulse purchase</td>
<td>Dittmar (2005) found that this behaviour leads excessive shoppers to be more motivated to buy, in order to strengthen their self-image and they reported greater “gaps” between how they see themselves and how they wish to be seen. They did more impulse buying and they regret it more.</td>
</tr>
</tbody>
</table>

68% of the survey participants are excited in making impulse purchases, this is mainly because there is a psychological connection between impulse purchasing and consumer behaviour.
**Question 15**

*Table 16 psychological behaviour*

<table>
<thead>
<tr>
<th>Main Aim</th>
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<tbody>
<tr>
<td><strong>To assess the psychological behaviors of the consumers</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I regret after making an impulse purchase</td>
<td>Dittmar (2005) found that this behaviour leads excessive shoppers to be more motivated to buy, in order to strengthen their self-image and they reported greater “gaps” between how they see themselves and how they wish to be seen. They did more impulse buying and they regret it more.</td>
</tr>
</tbody>
</table>

There is a psychological connection between impulse purchasing and consumer behaviour. And from the obtained survey results 50% of the survey participants regret their impulse purchasing decision, which fairly connects to Ditmurr statement.
Question 16

Table 17 Effectiveness of window displays

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>To check whether window displays are effective in a consumers purchasing decision.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel compelled to enter a supermarket when I see something interesting in the window display?</td>
<td>Abraham and Goodey, 1990) state that consumers are usually attracted to a product in a display within three to eight seconds, which is the time need for the customers to determine and show interest in a displayed product.</td>
</tr>
</tbody>
</table>

Abraham and Goodey’s statement is very close enough to the results obtained from the survey because 39 participants find window display interesting, and 27 participants find it highly persuasive therefore, window display does indeed have a positive impact on the consumers.
**Question 17**

*Table 18 Impact of cleanliness*

<table>
<thead>
<tr>
<th>Main Aim</th>
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</thead>
<tbody>
<tr>
<td>To identify the impact of cleanliness.</td>
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</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleanliness of the internal environment of Cargills does influence towards my shopping experience and future visits to Cargills</td>
<td>Carpenter and Moore, 2006 (Cited in Gajanayake et., 2011); Ebster and Garaus, 2011) state that cleanliness will result in an increase in willingness to shop by the customers with an improvement in frequency to shop and the length the customer will be shopping for.</td>
</tr>
</tbody>
</table>

Carpenter and Moore, 2006 (Cited in Gajanayake et., 2011); Ebster and Garaus, 2011) state that cleanliness is a very important factor and an very important visual merchandising technique used by stores in order to satisfy their customers and increase the customers willingness to shop, and it is very true since 94% of the survey participants have agreed to this statement.
**Question 18**

*Table 19 Effectiveness of in-store displays*

<table>
<thead>
<tr>
<th>Main Aim</th>
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<tbody>
<tr>
<td>To determine how effective are in-store displays</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective in-store displays increase the magnitude of impulse purchases that I will make inside the supermarket (1= More likely to purchase ; 5= Less likely to purchase)</td>
<td>Stern (1962) mentions that in-store displays are a determinant of impulse buying and retailers are very keen to improve and increase the magnitude of impulse purchases within their stores through product and store displays.</td>
</tr>
</tbody>
</table>

Aim was to determine the effectiveness of in-store displays, Stern (1962) mentions that in-store displays are a determinant of impulse buying and retailers are very keen to improve and increase the magnitude of impulse purchases within their stores through product and store displays. Therefore it is evident that in-store displays do have a considerable impact on impulse purchases because the results obtained from the survey supports this statement as many survey participants have voted for the first three options.
Question 19

Table 20 Correlation of displayed products and unplanned purchases

<table>
<thead>
<tr>
<th>Main Aim</th>
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<tbody>
<tr>
<td>To see whether displayed products grasps their attentions and leads to unplanned purchases.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>I tend to purchase other items apart from my shopping list after going through the in-store displays and shopping aisles</td>
<td>Which is the time need for the customers to determine and show interest in a displayed product gives them an idea what they need to purchase (Bastow, Shoop et al., 1991).</td>
</tr>
</tbody>
</table>

79% of survey participants have said that they tend to purchase more than planned shopping list, this is mainly due to displayed goods in store because once the customers sees the displayed product they get an idea of purchasing them, therefore leading to unplanned to purchase.
Good shopping experience is very important since this contributes majorly towards the survival of the company. The results show that most of the survey participants have had a good experience however few have not, therefore to improve the shopping experience; Cargills will have to implement new strategies.
**Question 21**

*Table 22 Comparativeness of Visual merchandising*

<table>
<thead>
<tr>
<th>Main Aim</th>
</tr>
</thead>
<tbody>
<tr>
<td>To assess whether Cargills is more visually attractive than its competitors.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Rational</th>
</tr>
</thead>
<tbody>
<tr>
<td>The shopping environment at Cargills is more visually attractive than the other competitors in the industry</td>
<td></td>
</tr>
</tbody>
</table>

54% of the participants have said that Cargills is visually attractive than the competitors, this could be improved by implementing better visual merchandise strategies.
4.3 Chapter Summary
Firstly, an introduction was given to the chapter. Thereafter, response summary of each question was illustrated and analysis was done with relation to the literature reviewed in chapter 2.
Chapter 5: Conclusion and Recommendation

This chapter reviews up to what extent researcher has achieved the main objectives of the study with reference to literature, methodology and findings whilst outlining the corporate background to key terms of the study. The study focused to identify the impact of visual merchandising on consumer impulse buying behaviour in the retail supermarket industry.

5.1 Academic Objectives

1. To review literature on visual merchandising and features of visual merchandising that influences the consumer buying behaviour.

2. To review literature on consumer impulse buying behaviour and the characteristics of consumer impulse buying behaviour.

3. To conduct a research in the form of questionnaires in order to find the impact of visual merchandising in consumer impulse buying behaviour.

4. To formulate conclusions and make recommendations to visual merchandising and consumer impulse buying behaviour in the Sri Lankan supermarket industry.

All of first three objectives have been successfully achieved through the literature review and analysis by critically describing the various techniques of visual merchandising as well as the degree of psychological impact they have on the consumers buying behaviour, along with the different views of multiple authors. Further, the researcher has analysed and identified the significance of implement visual merchandising and the importance of it in order to generate more profits for the company.

5.2 Synthesis of Literature review and findings

The findings of this research shows that Cargills Supermarket has pretty much faired the concept of visual merchandising and has created a decent shopping environment by using different techniques of visual merchandising in order to create an impact on the behaviours of the consumers. Visual merchandising includes all the various activities and actions which are done to correlate and merge different kind of merchandise selections with productive and powerful mode of merchandise display (Walters & White, 1987). Consumer buying behaviour can be defined as the physical activity and the decision process which is undergone by an individual when deciding, obtaining, purchasing, using and discarding the service or product (Madaan, 2009).
Batow-Shoop et al., (1991), states that consumers determine to show interest in-store displays which would give them an idea to make a purchase. This statement is predominantly evident because the survey results show that 79% of the supermarket consumers tend to make purchases after seeing an in-store display because they get an idea of purchasing it since they are attracted to these displays. Carpenter and Moore, 2006 (Cited in Gajanayake et., 2011; Ebster and Garaus, 2011) state that cleanliness will result in an increase in willingness to shop by the customers with an improvement in frequency to shop and the length the customer will be shopping for, this statement also is agreeable because 94% of the survey participants voted that cleanliness inside a supermarket is a very important factor and a very crucial visual merchandising technique as well because this would make the customers feel more satisfied and shop longer within the supermarket. Dittmar (2005) found that consumer buying behaviour leads excessive shoppers to be more motivated to buy, in order to strengthen their self-image and they reported greater “gaps” between how they see themselves and how they wish to be seen. They did more impulse buying and they regret it more. The statement made by Dittmar the survey shows that 68% tend to get excited when making an impulse purchase but however not everyone regrets making impulse purchases since the survey shows a 50% regret percentage on impulse purchase therefore there is a fair share between the consumers who regret and not regret after making a an impulse purchase. Another important visual merchandising technique use is promoting products and brands using mannequins and shelves. Bustos (2004) states that stores can use mannequins since mannequins will drastically improve the visual output and appeal the products that are displayed which is a key factor in provoking the customers to make purchases. This statement is agreeable because 88% of the survey participant have voted that brand endorsed mannequins and shelves provoke them to make more purchases. Overall the literature and survey findings are predominantly agreeable.

5.3 Limitations of the research

While doing this research, author found several limitations that is associated with the research. The main limitation was time and financial constraint which limited the findings to Colombo area and limited the number of respondent to 72. The researcher has chosen only one main supermarket which has captured more than 45% market share in the Sri Lankan supermarket industry and the other companies were not given much priority. One of the other main limitations faced by the author was time management, since many participants delayed the time period in responding the questionnaires. Another limitation would be whether the
participants took the survey seriously without just answering the questionnaires for the sake of answering. While doing this research, author found several limitations that are associated with the research.

5.4 Further developments for future research

The research topic was the impact of visual merchandising on consumer impulse buying behaviour. This survey was mainly based on the supermarkets in Colombo and the survey participants are from Colombo, therefore this research can be extended up to the Country in the future which would give more meaningful and reliable results because results obtained from the outskirts of Colombo and other parts of the country will definitely vary due to many demographical factors. The questions could be further increased to 30-35 questions so that analysis can be carried out more effectively and efficiently since there will be more compromising data available. The future research could also contain how the staffs training and development help improve visual merchandising strategies with the industry or company.

5.5 Recommendations

According to the results of this survey, Cargills is a very reputed company and is a market leader in the Sri Lankan supermarket industry but however it has immense competition from other leading supermarket brands, therefore to compete with them more efficiently the company will have implement better visual merchandising strategies to up their game so that they would improve their market share and make the company more profitable. Visual merchandising is the most important variable in in-store environment of a supermarket. It can significantly influence on consumer’s store choice decisions and purchases. Therefore, application of more attractive visual merchandising materials in their promotions will help to obtain better results. The in-store displays, promotional signage’s, in-store product display and product shelf presentation are the key elements of visual merchandizing techniques, therefore Cargills have to give more preference to this and invest more on these techniques. Spaces between shelves, cashier counters layouts, height of shelves, number of counters, sanitary facilities, height of roof are key variables of design layout that helps to make customer relaxation, convenience to selection of products, reduce average waiting time and encourage the impulse purchasing therefore these should be improved by the supermarket as well. When designing the product display, Supermarket managers should pay special attention on category layout of the supermarket, ceiling lighting.
Therefore these are the important areas that the company could improve on in order to improve profitability of the company by implementing the important visual merchandising techniques.
References


Ridley, D., (2005). The Literature Review: A Step-by-Step Guide for Students, google books(online), Available at: https://books.google.lk/books?id=s0hgSMqAL5wC&printsec=frontcover&dq=literature+review&hl=en&sa=X&ved=0CBsQ6AEwAGoVChM1uvGmwd6xwIVksSOCh2MeQGT#v=onepage&q=literature%20review&f=false


Appendix A Questionnaire

THE IMPACT OF VISUAL MERCHANDISING ON CONSUMER IMPULSE BUYING BEHAVIOR: RETAIL SUPERMARKET INDUSTRY SRI LANKA

Hello! I’m Apayakaran, a second year student from Business Management School (BMS). I am currently following a degree in Business management offered by the University of Northumbria, United Kingdom. As a part of my second year curriculum, I am conducting a research to understand the impact of visual merchandising on consumer impulse buying behaviour. Please take a few minutes to fill the below questionnaire to help me conduct the research. Your feedback is highly appreciated and I thank you in advance!

What is your Gender?*

- [ ] Male
- [x] Female

Age Group*

- [x] 15-20
- [x] 21-25
- [x] 26-30
- [x] 30 and above

I am a customer of Cargills supermarket*

- [x] Yes
- [x] No

I visit Cargills supermarket *

- [x] Very frequently
- [x] Weekly
- [x] Monthly

The average duration of shopping i do at Cargills supermarket is*

- [x] Less than half an hour
- [x] Less than an hour
- [x] More than an hour

I was attracted by the effective presentation of goods at Cargills supermarket*

- [x] Yes
• No

Effective presentation of goods in shelf influences me to purchase the products off the shelf

1 2 3 4 5

More likely to purchase [ ] [ ] [ ] [ ] [ ] Less like to purchase

Does the position of a product in a shelf influence your purchasing decision?

• Yes
• No

I tend to purchase products off the shelves mainly from the

• Top shelf
• Middle shelf
• Lower shelf

The packaging of a product and its overall look influences my purchasing decision

• Yes
• Maybe
• No

Convenient floor layout of Cargills improves my quality of shopping and experience.

• Yes
• No

Lighting at Cargills improves my quality of shopping and experience.

1 2 3 4 5

Strongly Agree [ ] [ ] [ ] [ ] [ ] Strongly Disagree

Brand endorsed mannequins or shelves inside the supermarkets attracts my sight inside the supermarket

• Yes
• No

I feel excited when making an impulse purchase

• Yes
• No
I regret after making an impulse purchase. 

- Yes
- No

I feel compelled to enter a supermarket when I see something interesting in the window display?

- Highly persuasive
- Interesting
- Not persuasive

Cleanliness of the internal environment of Cargills does influence towards my shopping experience and future visits to Cargills.

- Yes
- No

Effective in-store displays increase the magnitude of impulse purchases that I will make inside the supermarket.

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<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
</table>

Most likely to purchase | Less likely to purchase

I tend to purchase other items apart from my shopping list after going through the in-store displays and shopping aisles.

- Yes
- No

Rate your shopping experience at Cargills.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
</table>

Bad | Excellent

The shopping environment at Cargills is more visually attractive than the other competitors in the industry.

- Yes
- No
### Appendix B Rationale table

<table>
<thead>
<tr>
<th>Questions</th>
<th>Purpose</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td>In order to identify the gender of the survey participant</td>
<td></td>
</tr>
<tr>
<td>2. Age group</td>
<td>In order to identify the age group of the survey participant</td>
<td></td>
</tr>
<tr>
<td>3. Have you visited Cargills supermarket?</td>
<td>In order to make sure that the survey participant is from the target group</td>
<td></td>
</tr>
<tr>
<td>4. I am customer of Cargills supermarket</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. I visit Cargills supermarket</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. The average duration of shopping I do at Cargills supermarket is</td>
<td>To obtain the average time spent inside the supermarket</td>
<td>Davies and Tilley (2004) state that store layout is how the different aisles and sections of a store is systematically arranged in a manner to get the shoppers to buy more and shop longer.</td>
</tr>
<tr>
<td>7. I was attracted by the effective presentation of goods at Cargills supermarket</td>
<td>To identify whether the presentation of goods is attractive</td>
<td>Visual merchandising is the effective presentation of merchandise or a store in a manner which would successfully attract the attention of potential customers in that intended market and boost the overall sales for that product (Bastow-Shoop et al. 1991)</td>
</tr>
<tr>
<td>8. Effective presentation of goods in shelf influences me to purchase the products off the shelf</td>
<td>To see whether effective presentation influences customers to purchase the product</td>
<td>Diamond and Diamond (2003) emphasize on the need of visual merchandising and how it effectively contributes to the success of a brand or an organization. The authors state that by implementing an efficient visual merchandising strategy would attract all the possible customers and motivate the customers to purchase the products.</td>
</tr>
<tr>
<td>9. Does the position of a product in a shelf</td>
<td></td>
<td>Peak and Peak (1977), state that the position of the shelf</td>
</tr>
<tr>
<td>No.</td>
<td>Statement</td>
<td>Explanation/Source</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>10.</td>
<td>I tend to purchase products off the shelves mainly from the top shelves.</td>
<td>Sigurdsson et al., (2009) state that customers have implicitly learned that top brands are allocated on the top shelves by the retailers.</td>
</tr>
<tr>
<td>11.</td>
<td>The packaging of a product and its overall look influences my purchasing decision.</td>
<td>Wanninayake and Randiwela (2007) state that visual merchandising related to how the brand or product visually communicates with the customer and whether the transfer of message is successfully decoded by the customer.</td>
</tr>
<tr>
<td>12.</td>
<td>Convenient floor layout of Cargills improves my quality of shopping and experience.</td>
<td>Davies and Tilley (2004) state that store layout is how the different aisles and sections of a store is systematically arranged in a manner to get the shoppers to buy more and shop longer.</td>
</tr>
<tr>
<td>13.</td>
<td>Lighting at Cargills improves my quality of shopping and experience.</td>
<td>The assess the impact of lighting on the consumers shopping experience.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>there are other important components in the store such as lighting and colours which are also considered to be visual merchandising techniques because colors contribute towards psychological and physiological effects on the consumers (Bellizzi et al. 1983).</td>
</tr>
<tr>
<td>14.</td>
<td>Brand endorsed mannequins or shelves inside the supermarkets attracts my sight inside the supermarket.</td>
<td>To check whether promotional mannequins is an effective visual merchandising method?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bustos (2004) states that stores can use mannequins since mannequins will drastically improve the visual output and appeal the products that are displayed which is a key factor in provoking the customers to make purchases.</td>
</tr>
<tr>
<td>15.</td>
<td>I feel excited when making an impulse purchase.</td>
<td>To assess the psychological behaviors of the consumers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dittmar (2005) found that this behaviour leads excessive shoppers to be more motivated to buy, in order to strengthen their self-image and they reported greater “gaps” between how...</td>
</tr>
<tr>
<td>16. I regret after making an impulse purchase</td>
<td>To assess the psychological behaviors of the consumers</td>
<td>Dittmar (2005) found that this behavior leads excessive shoppers to be more motivated to buy, in order to strengthen their self-image and they reported greater “gaps” between how they see themselves and how they wish to be seen. They did more impulse buying and they regret it more.</td>
</tr>
<tr>
<td>17. I feel compelled to enter a supermarket when I see something interesting in the window display?</td>
<td>To check whether window displays are effective in a consumers purchasing decision.</td>
<td>Abraham and Goodey, 1990) state that consumers are usually attracted to a product in a display within three to eight seconds, which is the time need for the customers to determine and show interest in a displayed product.</td>
</tr>
<tr>
<td>18. Cleaniness of the internal environment of Cargills does influence towards my shopping experience and future visits to Cargills</td>
<td>To identify the impact of cleanliness.</td>
<td>Carpenter and Moore, 2006 (Cited in Gajanayake et., 2011); Ebster and Garaus, 2011) state that cleanliness will result in an increase in willingness to shop by the customers with an improvement in frequency to shop and the length the customer will be shopping for.</td>
</tr>
<tr>
<td>19. Effective in-store displays increase the magnitude of impulse purchases that i will make inside the supermarket.</td>
<td></td>
<td>Stern (1962) mentions that in-store displays are a determinant of impulse buying and retailers are very keen to improve and increase the magnitude of impulse purchases within their stores through product and store displays.</td>
</tr>
<tr>
<td>20. I tend to purchase other items apart from my shopping list after going through the in-store displays and shopping aisles</td>
<td></td>
<td>Which is the time need for the customers to determine and show interest in a displayed product gives them an idea what they need to purchase (bastow-shoop et</td>
</tr>
<tr>
<td>21. Rate your shopping experience at Cargills</td>
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<td>--------------------------------------------</td>
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<tr>
<td>22. The shopping environment at Cargills is more visually attractive than the other competitors in the industry</td>
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</tbody>
</table>
## Appendix C Project Timeline

<table>
<thead>
<tr>
<th>Task</th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
<th>Week 4</th>
<th>Week 5</th>
<th>Week 6</th>
<th>Week 7</th>
<th>Week 8</th>
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</thead>
<tbody>
<tr>
<td>Submit proposal</td>
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<tr>
<td>Prepare introduction</td>
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<tr>
<td>Search literature</td>
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<tr>
<td>Right up literature review</td>
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<td>✔</td>
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<td>Prepare methodology chapter</td>
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<td>✔</td>
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<td>Prepare primary data questions based on literature review</td>
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<tr>
<td>Begin gathering primary data</td>
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<td>Write up the findings from primary data collection</td>
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<tr>
<td>Analyse and discuss findings from primary data collection</td>
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<td>✔</td>
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<tr>
<td>Prepare conclusions and recommendations chapter</td>
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<td>✔</td>
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<tr>
<td>Submit the project</td>
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<td>✔</td>
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