IMPACT OF LIGHTING AS A VISUAL MERCHANDISING TOOL ON CONSUMER’S PURCHASE BEHAVIOUR

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Abstract

The importance of visual merchandising cannot be ignored in this era where many purchase decisions are influenced by displays and presentations in store. This study is conducted to know the effect of lighting as a subject matter of visual merchandising in attracting consumers towards a specific area and products in store and recording their behaviour. Before and after design method of experimentation was used to know the impact of lighting in attracting consumers towards the product and specific location at the garment store. This study concluded positive effect of using light to divert consumer attention towards illuminated areas and products and the increase in shoppers traffic was also recorded. However the study also found no impact on sales of the merchandise displayed in the illuminated area of the garment store.

Keywords: Visual Merchandising, experimentation, retailing.

JEL Classification: M 300

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Introduction

Kerfoot (2003), found that themes that are strongly linked to purchase intentions at retail stores were merchandise colours, path findings, presentation style, awareness of fixtures, sensory quality of materials, and lightning. The study was conducted at the women fashion retail store and concluded that the purchase intention through proper utilization of visual merchandising increased more likely. Since many purchases are not properly planned therefore visual merchandising play its role to influence consumer attention purchase behavior. The concepts of visual merchandising is common in retail business to divert attentions of consumers towards a specific products, or to motivate consumers towards a specific area of a retail store. Through visual merchandising including window displays, and lighting arrangements stores can attract a particular class of consumers towards their stores, enhance awareness of the consumers, and increase the store traffic and sales.

Proper lighting arrangements in retail stores is very important element of visual merchandising. There are however different types of lights with different impacts. Two major sources included the spread and spot light, that are used for illuminating the particular section of the store or the merchandise in the store.

Some studies found that through proper visual merchandising only consumer attention can be diverted, and the purchase intentions could be enhanced, but no actual on the spot purchases are recorded (Areni and Kim, 1994). However this is also dependent on the nature of the product. Some products including shopping and specialty are high involvement in nature and consumers pass through different steps before purchasing a product. It is however proved and concluded in majority of the studies that the tools of visual merchandising including lighting enhances the purchase intensions of the consumers more likely (Areni and Kim, 1994).
Literature Review

Visual merchandising is comparatively a new tool in value creation, and offering new opportunities to divert consumer attention towards the products displayed in stores. Media especially internet and social media is playing its role in making consumers more and more informed about different trends in retail practices (Agnihotri, 2009). Since these contemporary consumers are better informed and savvier than before, it became more important than before for the companies to know about consumers, their motivations and lifestyles (Uncles, 2008).

Eroglu (2003), argues that companies and retailers are now dealing with more informed consumers who prefer value, and interested in stores that make efforts to create value through different visual merchandising tools, and merchandising strategies. These tools include the concept of “Atmospherics” and creation of “atmospheric cues” alongside of product. Atmospherics is referred to as an effort to devise the buying environment in a way that it arouses specific emotions that enhances the probability of purchase.

Eroglu (2001), argues that atmospheric virtues of the ”medium” through which the interface of the consumer and the product takes place are important determinants of effectiveness. Considering that, one cannot deny that a retail environment and in store atmospherics are becoming important factors that are influencing consumers perception, moods and behaviour.

An appealing merchandising display can trigger a shopper’s buying intent and eagerness. There are so many other factors responsible for the sales of merchandise but the display is one of the leading tools for retailers to trigger the shoppers “appetite” for shopping. Eighty per cent of the impressions are shaped by sight that’s
why it is very important for retailer to plan visual merchandising carefully and understand its impact on the sales and image of the product and store (Agnihotri, 2009).

Visual merchandising shapes the constructive image of the store and helps in a higher purchasing action from the shoppers (Davies and Ward, 2005). These “atmospheric cues” act as a “silent language” and cannot be underestimated as today’s consumers are bound to react and respond more towards these atmospheric cues and silent languages.

The examples of great aesthetics in stores are that of Harrods in London and Marshall Fields of Chicago, these stores are famous for their sense of décor (Kotler, 1973). These atmospheric cues and silent language at Harrods, and Marshall Fields create unique retail experience, and store image. An excellent shopping experiences lead to satisfied and loyal consumers, similarly bad shopping experiences results in unsatisfied consumers and results in lost customers (Quartier, 2008).

In the evoking of particular consumer responses, the atmospheric cue of lighting holds a major significance. Mehrabian (1976), believed that lighting is a major factor in arousing the consumer need towards the product. He further emphasizes that majority of the products that a shopper buys are the result of arousal and pleasure feelings that are developed through illumination. In the similar study Summers (2001), also concluded that store with the better illuminated merchandise entice shoppers to visit store, encourage shoppers to touch and feel the illuminated merchandise at the retail floor.

In the similar experiment Summers (2001), record the shoppers’ behaviour in an empirical study where two stores were selected, and were illuminated with temporarily supplemental lighting to record the shoppers’ behaviour. The experiment was conducted to record the consumers’ time spent in store at the display, the number of items touched, and the number of items picked up. The
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shoppers behaviour was recorded using video cameras and total of 2367 subjects were recorded. The study found a positive correlation between the lighting, time spent, items touched and picked up.

Groeppe-Klein (2005), studied different empirical studies and found that the store atmosphere has a strong influence on consumer behavior, and store image. The study further concluded considering the empirical studies that the store atmosphere has a strong influence on consumer consideration of the merchandise and arouse consumer reaction towards the store.

Pillai (2011), found that customers are influenced by attractive windows displays, proper store layout, and appealing visual merchandising themes. The study recommended the proper utilization of visual merchandising as an effective tool of converting potential customers into real customers. The study further concluded that the most important aspect that consumers value most in visual merchandising are proper lighting and attractive display themes.

Park (2014), argued that the proper and effective visual merchandising including illumination helps in differentiating the retail brand, contribute to brand preference and encourage the brand preference. Differentiating between the functionality and the wastage of visual merchandising practices Cant (2013), recommended to plan the visual merchandising effectively to minimize the wastage to utilize the space effectively. The study further concluded that the effective utilization of the lights contribute to consumer motivation and store patronization.

In an empirical investigation Garaus (2014), argues that the visual merchandising if properly planned and executed results in the reduction of consumer confusion about the store and displayed products. An analysis of expert interviews, and open ended discussion with the grocery shoppers to compile the study the author revealed that the properly planned and well executed visual merchandising
motivated shoppers while the ill planned and poorly executed visual merchandising result in creating confusion in the shoppers mind.

According to LaGiusa and Perney (1974), illuminating the store environment can draw attention of the consumers, affect consumers’ perception about the store and patronage intention. Hu and Jasper (2006) assert that illumination in storeimprove the aesthetics of the store and may results in the competitive advantage. The study further concluded that proper illumination can be a source of keeping customers in store for a longer period of time because of its pleasing effect and that in turn could further increase the chances of impulse purchasing.

Summers and Hebert (2001) also support that lighting and better illumination influences the consumers attention. Gobe, (1990), Rea (1993), Lopez (1995), concluded that shoppers “touch” and “pick up” the products that is properly illuminated and has a positive effects on consumer purchase intension. However Areni and Kim (1994), concluded that lighting as a tool of visual merchandising results inconsumers interest to handle and examine merchandise but there was no influence on the actual purchase of the product.

Research Objectives

The objective of this study is to find out if there is any impact of lighting to divert the consumer attention, or not in local context? Through literature, and findings in developed countries it is known and proved that lighting as a principal tool of visual merchandising influence consumer purchase intension, brand recognition, and awareness, but little is known and proved about the impact of lighting in stores in Pakistan. This study is conducted to know the exact impact of lighting in diverting consumer attention in retail store, and the impact on sales of the merchandise, therefore experimentation based methodology is used.
Significance of The Study

Despite rising interest and concern, no formal study has investigated in this context in Pakistan. The purpose of this research paper is to open significant venues for application and integration of applying aesthetics to retail store through ambience factors like lighting.

As visual merchandising practices in Pakistan and especially in the smaller cities like Peshawar is still in its infancy therefore the outcomes of the study can be utilized in deciding the visual merchandising practices especially lighting. The study is useful to know if visual merchandising is better strategy to practice in Pakistan like in the developed countries. Both the retail sector and the manufacturing sector promoting its product at the retail level and factory outlets can get benefits of its results.

Research Methodology

An experimental research method was applied. It is suitable for this type of research where investigation of the possible cause and-effect relationship takes place by manipulating one independent variable to influence the other variable(s) in the experimental group and by controlling the other important variables, and measuring the effects of the manipulation by some numerical means. By manipulating the independent variable, the researcher can see if the treatment provided, makes a difference on the subjects or not. Moreover this type of research method is favourable as it produces more accurate results because of its pragmatic approach.

The independent variable in this case was “lighting” and its influence was checked on “consumer’s approach towards the offering” which acted as the subjects. Observations “O1” and “O2” were recorded for two days without the treatment that is “lighting and illuminations” and the number of people who visited the store and...
people who visited particular spot was also recorded. The aggregate of the two days observation was recorded and the percentage was calculated. We call these aggregate observations before treatment O_A. At the second phase of the study treatment "X" was provided and observations “O3” and “O4” were made under the influence of the treatment that is lighting a principal tool of visual merchandising. The aggregate percentages of these two observations was also taken. This aggregate was labelled as O_B. The outcomes were determined by the following formula:

\[ O_B - O_A = \text{impact of } X \]

The outcomes of the second observation (O_B) was subtracted from the first observation (O_A) and the result is the impact of treatment.

Analysis and Findings

a. Background of the Case Considered for Experimentation:

Peshawar – a city of Pakistan is home to a lot of businesses, of which Fashion is a prominent sector. But since fashion itself is a diverse term even when used in conversations, one can imagine in a practical way how big this field would be. Fashion wise, Peshawar has limited designer names that cater to a specific type of fashion in women’s clothes.

Recently, Peshawar has seen the birth of many shops opening on the main Jamrud Road e.g. Nishat Linen, and Concepture Lounge, etc. In a more elite category, one can talk about Guzel, a new entry in the fashion circle in Peshawar. Guzel deals primarily with semi-formal wear, formal wear, jewellery, shoes, bags, bridal consultations and exhibition space. Located in the heart of University Town, Peshawar, it has the capacity to attract major fashion and style lovers all over the city. Because of this Peshawarites need not go to Islamabad and Lahore, as they usually do, in order to purchase fashion commodities. One of the main reasons why Guzel is considered to be...
an important contribution to the city is because it houses all the products from all the big names in the country. All the big designer names and brands from Karachi, Lahore and Islamabad are showcased as well. With them, local and upcoming designers of Peshawar are showcasing their stuff as well. The designers include big names like RizwanBeyg, Nomi Ansari, AsimJofa, SaadiaMirza, Samar Mehdi, Waseem Noor, Mehdi, AsifaNabeel, Rani Emaan, Zeek, Sara Raza, Goal, Treed by Guzel, Shazia’s, TehseenRehan, SadafSherazi, AndaazPret, AkifMehmood, ZaynRasheed, NN House etc.

b. Experiment and Findings

To conduct an experiment a spot at the fashion retail outlet was identified that could benefit from extra lighting. Even though all the corners of the shop were fairly lit with Halogen Spot bulbs fixed on a false ceiling, we identified a corner which as per record provided by the shop owner was the least shopper’s traffic area. The spot that was identified was in one corner of the premises and from the entrance, and had few sets of clothes and ornaments placed in the centre. At the first phase of the study we monitored overall shopper’s traffic in the store and then specifically in that area over a period of two days. At the second phase of the study the spot was illuminated temporally for the next two days and overall shopper’s traffic in the store was recorded along with the shopper’s traffic in the illuminated spot of the store. The experiment lasted for four days and the consumer traffic in the selected spot was recorded before and after illuminating the particular spot.
The following are the observations of the first two days of the experiment without treatment:

<table>
<thead>
<tr>
<th>Observations before treatment</th>
<th>Overall number of people who visited the store</th>
<th>People who visited the particular spot under review</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>O1</td>
<td>32</td>
<td>27</td>
<td>100%</td>
</tr>
<tr>
<td>O2</td>
<td>46</td>
<td>34</td>
<td>100%</td>
</tr>
<tr>
<td>OA</td>
<td>32+46=78</td>
<td>27+34=61</td>
<td>78.2%</td>
</tr>
</tbody>
</table>

Treatment

The picture shows the front side of that specific spot where the clothes were facing against the window and were not catching enough light. To correct the problem in this specific area, we re-lit the area by placing two lights in that specific corner.

1) A 500W Tungsten Warm light
2) A 100W equivalent 600 LED Bulbs filler light
The following are the two days observations after the treatment was provided:

<table>
<thead>
<tr>
<th>Observations after treatment</th>
<th>Overall traffic in the store</th>
<th>People who visited the section under review</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>O3</td>
<td>28</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>O4</td>
<td>32</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>OB</td>
<td>28+32=60</td>
<td>27+29=56</td>
<td>56/60x100=93.3</td>
</tr>
</tbody>
</table>

The formula OB –OA=93.3-78.2=15.1
There is a rise of 15 percentage points.

Thus the eventual scores of the impact of treatment show a significant positive approach towards the lit area, we conclude that consumers had a more favourable attitude toward merchandise displayed in the lit area of the store. More consumer traffic is recorded visiting the area that was not properly illuminated before the experiment. As compared to the before installations of the illumination more consumers examined the merchandise. However it is important to mention that even though more attention was paid to these luminous areas, yet lights did not contribute significantly to the sales of clothes in these areas as per the sales record. Therefore the study concluded that lighting as a tool of visual merchandising can divert the attention of the consumer, can force them for closer examination of the merchandise, but have no impact on immediate sales.

**Conclusion**

The survey findings show that there is a positive impact of lighting as a subject of visual merchandising in a garment store. Illumination of a particular area of store and merchandise divert the attention of consumers, and motivate them for a closer look. Although the study recorded reasonable diversion of consumers attention towards the illuminated merchandise however no change in sales data is recorded of the product that were displayed. The study
recorded a reasonable increase in the consumer traffic towards the properly illuminated merchandise that may result in enhancing the consumer awareness. Keeping in mind the nature of the product that is garments and the behaviour of the consumers in Peshawar, the purchase may not result on the spot, but closer examination of the merchandise may result in awareness, and actual purchase may happen in future.

Retail service needs to be reinvented and revitalized to create excitement. Atmospheric variables should be applied to the in store shopping environment as it provides pleasure and arousal of emotions and creates an approach towards the outlet and offering. Since there are so many other atmospheric variables like layout and design variable, music and colours, artwork and scents, it is important to take this research further in these areas under the local context to fulfil the gap.

**Limitations**

Because of time and resources constraint the basic limitation is the scope of the research cannot be stretched to more than one outlet of Peshawar which in turn provides a smaller sample.

**Future Research**

This study was specific to the fashion store, and was also specific to recording the consumer interest in the merchandise that was illuminated. The study considered only one aspect of the visual merchandising that is illumination and record the moment of the shoppers towards the well-lit spot of the fashion garment store. There is a need to investigate other elements of visual merchandising in Pakistan including the effects of different colours and nature of lights, the POS, the aisles, and the themes of the store etcetera.

There is also the need to investigate the impact of visual merchandising in non-fashion stores including the super markets, and convenience stores in Pakistan. To know the impact of visual merchandising on sales and converting the potential customers into real customers through effective visual merchandising is also needed to be investigated in Pakistan.
Impact of Lighting as A Visual Merchandising ... Research

References


