

The Role of Elements in Visual Merchandising on Impulsive Buying in Retail Stores (Study on SW Market Stores in Bantul)

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Abstract

This study aims to examine the influence of elements in visual merchandising on impulsive buying behavior at a minimarket called SW Market. Visual merchandising, which includes store layout, product display, and employee interaction, is considered important in influencing impulsive buying. We collected data from 190 respondents who had recent shopping experiences at a minimarket using a survey approach and a Likert-scale questionnaire. The results show that a well-structured store layout facilitates consumer navigation, while attractive product displays increase visual appeal and the desire to buy impulsively. In addition, positive interactions with employees create a pleasant shopping atmosphere and encourage spontaneous purchasing decisions. This study also found that the combination of the three elements has a significant synergistic impact on impulsive buying behavior. These findings provide practical implications for retailers to optimize visual merchandising strategies to improve shopping and sales experiences. This study contributes to the literature on consumer behavior with a focus on the unique dynamics of minimarkets in Indonesia.

Keywords: visual merchandising, impulse buying, retail stores.

INTRODUCTION

Impulse buying is an important phenomenon in the retail sector, especially in convenience stores that resemble grocery stores. This behavior is characterized by spontaneous purchases made by consumers without prior planning or intention, often triggered by various stimuli in the shopping environment. We cannot underestimate the importance of impulsive buying, as it significantly contributes to retail sales and profitability. In convenience stores, where competition is fierce and consumer attention spans are transient, understanding the factors that drive impulsive buying is critical for retailers aiming to improve sales performance and customer satisfaction (Hussain & Siddiqui, 2019; Wijaya & Setyawan, 2020).

One intriguing example is SW Market, a convenience store located in Bantul, Yogyakarta, close to the Indonesian Institute of the Arts (ISI). Given its proximity to the campus, students dominate the densely populated area where SW Market is located. With these demographic characteristics, SW Market is a potential place to observe the phenomenon of impulsive buying, because students are often a group of consumers who are responsive to visual merchandising stimuli. In addition, students generally have dynamic lifestyles and spontaneous shopping needs, making this location ideal for studying consumer behavior in convenience stores.

Visual merchandising has emerged as an important factor influencing impulsive buying behavior. This includes the strategic presentation of products and the overall shopping

environment, which can influence consumers' emotions and decision-making processes. Effective visual merchandising can create an inviting atmosphere that encourages consumers to explore and make unplanned purchases (D. Law et al., 2012; Lejiw, 2023). Previous studies have well documented the importance of visual merchandising in shaping consumer behavior, highlighting its role in enhancing store appeal and increasing sales (Coucke et al., 2019; K. M. Law et al., 2012).

One of the key dimensions of visual merchandising is store layout, which plays a significant role in guiding consumer movement and attention. A well-structured layout can facilitate navigation, guiding consumers to discover products they may not have planned to purchase. Research shows that strategic placement of high-demand items can encourage customers to explore the store, increasing the likelihood of impulsive buying (Sharma et al., 2010; Wijaya & Setyawan, 2020). In addition, the layout can create a flow that enhances the shopping experience, making it more enjoyable and supporting impulse buying behavior (D. Law et al., 2012).

Another important aspect of visual merchandising is product display. Product display significantly influences consumer appeal and engagement. Attractive displays can stimulate interest and encourage impulse buying behavior. Studies have shown that attractive product displays can increase the perceived value of goods and create a sense of urgency, further encouraging impulsive buying (Coucke et al., 2019; K. M. Law et al., 2012). For example, well-organized and visually appealing displays can evoke positive emotions, making consumers more likely to make unplanned purchases (Lei & Lee, 2021). Product visibility, as well as the quantity displayed, can also influence consumer choice, especially in convenience stores where space is often limited (Coucke et al., 2019).

The role of employees in a retail environment is critical to creating a positive shopping experience. Friendly and helpful staff can increase customer satisfaction and create an inviting atmosphere that encourages impulsive buying. Research has shown that positive interactions with employees can increase consumer trust and increase the likelihood of impulse buying (Hussain & Siddiqui, 2019; Lejiw, 2023). Employee engagement is especially important in convenience stores, where personalized service can differentiate the shopping experience from larger retail outlets. The emotional connection that employees can build with customers can further increase the likelihood of impulsive buying, as consumers feel more valued and understood (Lejiw, 2023).

While the visual merchandising dimension plays a significant role in impulsive buying, cultural factors also influence consumer behavior. Different cultural backgrounds can shape how consumers perceive and respond to visual merchandising strategies. For example, studies have shown that cultural dimensions, such as uncertainty avoidance, can influence the likelihood of impulsive buying (Çakanlar & Nguyen, 2019). In cultures with high uncertainty avoidance, consumers may be less likely to make impulsive purchases due to perceived risk. Understanding these cultural nuances is crucial for retailers operating in diverse markets, as it can help design merchandising strategies that are relevant to local consumers (Çakanlar & Nguyen, 2019).

While there is a wealth of literature on impulsive buying and visual merchandising, there is still a significant research gap that focuses specifically on minimarkets in Bantul Regency. Previous studies have largely focused on larger retail environments or specific product categories, thus lacking an understanding of the unique dynamics of smaller retail formats. This study aims to fill this gap by examining the relationship between visual merchandising dimensions and impulsive buying behavior in the context of minimarkets, thereby contributing to a broader understanding of consumer behavior across retail settings (D. Law et al., 2012; Sharma et al., 2010).

The main objective of this study is to investigate the influence of store layout, product display, and employee interaction on impulsive buying behavior in SW Market. We expect this study, which focuses on the unique characteristics of this location, to offer valuable insights for retailers looking to enhance their merchandising strategies in the competitive minimarket market. In addition, this study aims to analyze the relationship between independent variables and their collective influence on consumer purchasing decisions. By addressing this objective, this study will contribute to the existing knowledge of visual merchandising and consumer behavior, providing practical implications for retailers seeking to optimize their sales strategies in the competitive convenience store market (Hussain & Siddiqui, 2019; Wijaya & Setyawan, 2020).

METHOD

This study employs a primary research approach, focusing on the SW Market Store to examine the effect of visual merchandising on impulsive buying behavior. A structured questionnaire, utilizing a Likert scale ranging from 1 to 5, serves as the main instrument for data collection. This scale enables respondents to express their level of agreement or disagreement with various statements related to their shopping experiences and behavior, providing a deeper understanding of consumers' attitudes toward impulsive buying. The questionnaire encompasses the main dimensions of visual merchandising, including store layout, in-store product displays, employee interaction, and promotional signs, as well as demographic information to contextualize the research findings (Nur Hidayah & Komala Sari, 2021; Sofiati et al., 2023).

The study adopts a purposive sampling method, selecting participants based on specific criteria to ensure the relevance of the data. Respondents were required to have shopped at SW Market in the past month to ensure they had recent and relevant shopping experiences. This sampling method enables the collection of targeted data aligned with the research objectives. The study included a sample size of 190 respondents, deemed sufficient to achieve statistical significance and ensure the reliability of the findings. We conducted data analysis using SPSS software, a robust tool for performing statistical analysis. SPSS facilitates the interpretation of data, ensuring accurate and meaningful insights into the relationship between visual merchandising and impulsive buying behavior. This methodological approach ensures the study's findings are both reliable and valid.

RESULT AND DISCUSSION

We conducted a regression analysis to examine the relationship between impulsive buying and the statistically significant influence of store layout, product display, and employee interaction. Table 3 shows the proportion of variance in the dependent variable (impulsive buying) explained by the given approach model. The R-squared value of 0.678 means that this model explains 67.8% of the variance in impulsive buying.

Table 1. Sample Description

		N	Percentage
Gender	Male	74	39%
	Female	116	61%
	Total	190	100%
Age	18-24	45	24%
	25-30	49	26%
	31-40	59	31%
	41-50	27	14%
	51-60	8	4%
	61-70	2	1%
	Total	190	100%
Visit Rate Within a Week	Never at all	0	0%
	Under 10 times	10	5%
	10 to 30 times	153	81%
	More than 31 times	27	14%
	Total	190	100%

Source: Data Processed by Researchers

Table 2. Validity Test

Scale	N of items	Cronbach Alpha
Impulsive buying	4	0,795
Store layout	4	0,832
Product display	4	0,828
Employee interaction	4	0,817

Source: Data Processed by Researchers

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,678 ^a	0,459	0,450	1,748

a. Predictors: (Constant), Product Display, Store layout, Employee Interaction

Source: Data Processed by Researchers

Table 4 shows the results of the ANOVA test, which show that Sig = 0.000, which means that all of the visual merchandising elements had significant effects on impulsive buying at the same time ($p < 0.0005$).

Table 4. Anova

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	482,152	3	160,717	52,616	0,000
	Residual	568,143	186	3,055		
	Total	1050,295	189			
a. Dependent Variable: Impulse Buying						
b. Predictors: (Constant), Product Display, Store layout, Employee Interaction						

Source: Data Processed by Researchers

Table 5 shows the variables that provide the largest contribution to impulsive buying. The significance column (sig.) shows that store layout, product display, and employee interaction statistically have a significant influence ($p < 0.05$) on impulsive buying.

Table 5. Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3,963	0,904		4,385	0,000
	Store layout	0,124	0,055	0,144	2,253	0,025
	Employee Interaction	0,115	0,057	0,130	2,032	0,044
	Product Display	0,513	0,067	0,515	7,636	0,000
a. Dependent Variable: Impulse Buying						

Source: Data Processed by Researchers

The beta values of store layout ($\beta = 0.124$), product display ($\beta = 0.513$), and employee interaction ($\beta = 0.115$) show a positive influence on impulsive buying. We will further discuss the above results in the next chapter.

The results of the study on visual merchandising reveal important insights into how store layout, product displays, and employee interaction influence impulsive buying behavior. Positive results from the regression analysis indicate that effective visual merchandising strategies can significantly increase consumer engagement and purchase decisions.

Store layout plays a significant role in directing consumer movement and attention within a convenience store. A well-organized layout can facilitate navigation, thereby increasing the likelihood of impulsive buying. Research shows that product arrangement and the overall flow of a store can significantly influence consumer behavior, as an intuitive layout allows for an easier shopping experience (Park et al., 2014; "Role of Visual Merchandising in Attracting Consumers in a Retail Store: A Quantitative Perspective," 2023). For example, strategically placing high-demand items at the back of the store encourages customers to pass by various product displays, potentially resulting in unplanned purchases along the way (Mondol et al., 2021). This is in line with findings that efficient layouts can attract consumers' attention and encourage them to explore more products, ultimately increasing their intention to purchase.

Product display is also an important aspect of visual merchandising that directly influences impulsive buying. A study by Coucke et al. highlighted that the visibility and

quantity of products on display can greatly influence consumer choice, especially in the context of sustainable products (Coucke et al., 2019). In convenience stores that typically have limited space, maximizing the effectiveness of product displays becomes crucial. Product displays that attract attention and engage consumers can increase sales because they create a strong and compelling visual narrative for shoppers (Jain et al., 2014; Khisa et al., 2020). Findings from Ibrahimi et al. support this notion, showing that well-executed visual merchandising techniques can enhance store image and facilitate impulsive buying even without direct assistance from salespeople (Ibrahimi et al., 2019).

Employee interaction also emerged as an important factor influencing impulsive buying behavior. Positive and engaging interactions with staff can enhance the shopping experience, making consumers feel valued and more likely to make impulsive purchases. Employees play a crucial role in fostering a friendly atmosphere within the convenience store, as their involvement fosters a sense of unity and trust (Cant & Wiid, 2020). This is in line with the understanding that customer service quality is an important component of the retail experience, which not only affects customer satisfaction but also their tendency to buy impulsively (Kleef et al., 2012).

The results of this study emphasize the importance of implementing effective visual merchandising strategies at SW Market and similar stores. By optimizing store layout, enhancing product displays, and encouraging positive interactions between employees and customers, convenience store owners can significantly increase impulsive buying behavior. These insights serve as a foundation for convenience store owners, enabling them to enhance their merchandising strategies and ultimately boost their sales.

CONCLUSION

The conclusion of this study highlights the significant impact of visual merchandising dimensions, including store layout, product display, and employee interaction, on impulsive buying behavior in SW Market or similar stores. The positive results of the regression analysis indicate that these factors are interrelated and play a significant role in shaping consumer purchasing decisions. Specifically, the findings suggest that a well-designed store layout can effectively direct consumer movement, while attractive product displays can attract attention and stimulate unplanned purchases. In addition, positive interactions with employees enhance the overall shopping experience, creating an atmosphere conducive to impulsive buying.

These insights are particularly relevant in the context of convenience stores, where space is often limited and competition is fierce. Retailers can leverage these findings to optimize their merchandising strategies, thereby increasing customer traffic and sales. The implications go beyond sales figures; they also encompass the overall consumer experience, which is essential for building customer loyalty and creating repeat purchases. Therefore, we advise convenience store or grocery store owners to invest in employee training to enhance their customer engagement, and to redesign store layouts and displays to optimize their effectiveness.

However, this study has several limitations. One of the main limitations of this study is its focus on a specific geographical area, namely the SW Market within Bantul Regency, which may limit the generalization of these findings to other regions or cultural contexts. Consumer behavior can vary greatly across demographic groups and cultural backgrounds.

Furthermore, while this study concentrated on three independent variables, it neglected to consider other factors like pricing strategy, promotional activities, and seasonal influences. Future studies should incorporate these elements to gain a more comprehensive understanding of the retail environment, as they can significantly influence impulsive buying

behavior. Longitudinal studies can also provide insight into how consumer behavior evolves over time in response to changes in visual merchandising strategies.

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