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ORGANISED APPAREL RETAIL STORE ENVIRONMENT: AN INFLUENCE OF VISUAL MERCHANDISING.

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Abstract:

Increasing competition in the apparel retail sector has posed a new concern to a retailer with merchandise being similar and influenced in adopting new business strategies to enhance the desirability of merchandise in apparel retail store. visual merchandising techniques adopted in-store play a crucial role in increasing product appeal. Visual merchandising helps a customer to locate merchandise easily in the store, it has become an integral part of creating a customer-engaging retail environment. It offers a competitive advantage in an organized retail store environment. Store positioning is the key to success while designing a marketing strategy for an apparel retail store in organized store environment. This paper reviews existing secondary sources to highlight the importance of visual merchandising of apparel stores in an organized retailing format. This paper provides an understanding of the current organized Indian retail sector and various visual merchandising elements that contribute to the success of apparel stores to engage, reach out to more customers, and contribute to store sales.

Keywords: visual merchandising, apparel, organized retail.

1. Introduction:

1.1 Indian retail sector

The retail sector of India adds up to around ten percent of India's GDP as per the latest IBEF report, with many new entrants in the industry especially in the retail tech space apparel Sector is becoming more fast-paced than ever. The apparel and textile industry contributes 5 percent to the countries' GDP from the domestic sector, whereas 7 percent is from the industrial output in value terms, export earnings of the country acquire a contribution of 12 percent from the apparel and textile industry. The apparel and textile industry is one of the most booming industries. With Indian apparel and textile being among the world's large producers, the country is also the 6th largest exporter of Apparel and Textile across the globe.

The retail market in India has been through a major transformation and has witnessed tremendous growth in the last ten years. The Indian apparel retail market is expected to reach the US $ 88.48 billion by the end of 2022 and the whopping US $ 106.93 billion by 2026. And if at all India manage to attain the projected US $ 88.48 billion by the end of this year, then it will help the country become the third-largest apparel retail market globally – just behind the US and China.

1.2 Organised retail

The organized retail sector is regulated by the government, and employment terms and working hours per day in this sector are regular and fixed. Organized retailing is a format of selling goods or merchandise under one roof in a fixed location like a departmental store, hypermarket, supermarket, and even a convenience store. The Indian retail market is largely unorganized. However, the organized Indian retail market has increased by approximately 50% between 2012-2020 to its current value of nearly 12% of total retail. The modern Indian retail industry is expected to grow at a 15% CAGR to reach 18% by 2025. Government rules have been implemented in these business entities registered with the government, they come under the purview of tax payments to the government. The apparel sector is governed by various acts depending on the scenario. Organized retailing offers a better shopping experience to customers compared to an unorganized retail format. Wide variety of merchandise offered in-store, brand loyal customers, good ambiance, convenience, and enhanced shopping environment. Organized retail stores achieve economies of scale, the part of the discount is passed on to customers in the form of rebate price.

1.3 Indian apparel retail

Over the past few years, organized Indian apparel retail has emerged as one of the fastest-growing markets in the world. The menacing wrath of the pandemic harmed the apparel sector in the year 2020. Despite all that pandemic-induced constraints, this sector seems to be returning to its previous magnitude. The penetration of retail brands into tier-2 and tier-2 cities with the adoption of retail technology addresses the fashion demands of the place; driven by an increase in the media reach and growing aspirations amongst the youth. The apparel sector has recorded significant growth over a decade. Three times the performance is observed in organized retail in the last decade, there is a rise in consumption by four times over the period. Indian apparel retail stores have transformed and continue to update strategies to meet the expectation of the customer across different geographic boundaries and newer trends like enhanced digital experience. Retailers are constantly realigning business strategies to amplify customers' shopping experiences. Online/digital platforms are expected to outperform in the years to come. Retailers need to revise marketing strategies in the stores to create a unique shopping experience. Many apparel brands have realigned their strategies to build online and offline marketing strategies covid period to combat uncertainty. The Apparel sector is on a path of recovery after a pandemic. It has also contributed to a source of foreign exchange earnings in India.

2. Visual merchandising:

Visual merchandising involves all the effort of a retailer including right from the exterior appearance of the store to the way the store ambiance is. Visual Merchandising involves all the efforts of a retailer in presenting store merchandise to the customer. It is an appeal designed to create to reach out to customers' senses, it involves exhibiting store merchandise to motivate sales. Well-designed visual merchandising creates an engaging and positive shopping experience. Visual merchandising helps in differentiating a store from an adjacent store in the organized apparel retail store environment. Usually, apparel stores have tough competition as the products offered are similar. More efforts from a retailer are required in making his store stand out from the crowd. Visual merchandising serves as an important tool of a store's marketing strategy to upsurge purchase intentions. Techniques used in the store help in creating a long-lasting impact on the store, higher recall value, to highlight features of merchandise sold in the store.

The Store atmosphere is created by a retailer by aligning store interiors, store exteriors, interior displays, and store layout to create a maximum impact on shoppers. Mannequins allow a storekeeper to present his merchandise to his customers, usually fresh stock and trendy merchandise are displayed in mannequins to educate the customers about the new arrivals in the store. Signboards guide the customers to products and even advertise their products. Planograms are visual diagrams of a store layout. The first impression of the store is created through window displays to enhance foot traffic. Visual displays in the store should motivate a customer to spend more, protect the image of the store, should be budget-friendly. Colour and lighting contribute significantly to people's attention on store displays. Props and fixtures are used to highlight the merchandise for sale.

Visual merchandising is the art of optimizing the store space to increase sales and generate revenue by advertising the merchandise in-store. Customer preferences may vary with the branded and unbranded apparel retail store formats, availability of products in the store, store presentation, and store exteriors. The entire store environment is decided by how merchandise is being exhibited to shoppers. It is the marketing practice that uses floor plans, store interiors, technology, and other elements to increase sales. The purpose is to attract, engage and lead customers towards purchase. It involves presenting, arranging merchandise, and planning displays in windows and stores to reach out to more buyers. It increases the customer base for the merchandise offered in-store while playing an important role in the customer decision-making process.

Visual merchandising is a key marketing strategy to draw customer attention to merchandise, and engage and repeat purchases. Return on investment needs to be considered while investing in the visual merchandise efforts of the store. Too much information should not be conveyed through displays and signages in the store to avoid information overload on customers. Too much of combinations in the form of visual elements and too many colors can distract customers and take away customer attention from merchandise to store visuals. It helps to create a brand identity. Visual merchandising is an essential tool to sell in apparel retail stores. It can lead to impulsive buying behavior among customers.

Well-planned directives help a brand to sell more while strengthening the brand. Attractively presenting merchandise aids in converting shoppers to customers. A well-conveyed theme reaches out to people in the form of storytelling through visual elements in the store, assorting merchandise by product style or type works wonder for a retail store. Apparel stores work on the Colour contrast of floor, ceiling, props used, background, and store equipment to create the right balance. The lighting in the store proves to be a crucial element to draw customers toward merchandise and provide an edge. Effective use of signages in the store guides a customer through the store and highlights the product features, it is an effective medium of advertising the best deals in the store. A store layout guides a customer with his movement in-store, shelves and furniture are placed in the store to enhance the shopping experience.

Organizing store space is essential to managing store interiors to allow customers to find merchandise at ease and decrease customers shopping frustration. A positive shopping experience is a result of having an organized retail store, and clean and presentable shopping premises. Window displays create appealing displays to catch customers' attention to offer a glimpse of what to expect in the store. Visual merchandising involves techniques and tricks to create a unique store experience, draw customers' attention and sell more merchandise in a store. Retailers need to plan precisely for the fixtures in the store. Creativity serves as an important element in presenting the merchandise at its best to the customers. Well Organized merchandise in the store serves as a silent salesperson as it creates a sense of ease to navigate in the apparel store.

3. Research methodology:

To understand the influence of visual merchandising in an organized apparel retail store environment. Secondary data is referred to understand the concepts and to link the probable impact of visual merchandising in the organized retail store environment. The success of secondary data is previous studies on the topic, research articles, published statistics, websites, etc.

4. Literature review:

Development of the apparel retail industry over the period, the Indian retail environment its growth, and progress are discussed. Organized and unorganized retail differentiation with specific reference to apparel retail is analyzed. (Taruna Oberoi 2019). Visual merchandising is understood from two different angles i.e., to identify whether visual merchandising can create a competitive advantage for a retailer and impact the store image. The study has highlighted that the store environment should be revised regularly to enhance the store environment. The outcome has suggested that customers are influenced at the subconscious level by the quality of visual merchandising techniques adopted in a retail store (Y Hefer, e c Nell 2015). (Michael colin Cant, Johannes Arnoldes wiid2020) visual merchandising elements are analyzed from consumer and retailer perspectives, and their influence in shaping the retail strategies to have an impact on store design and layout. Better implementation of visual elements in a store would lead to better sales and profitability of apparel stores. (Dashrath Bhiku Bhoite 2019) reviewed papers on the importance of visual elements in retail stores, to highlight a visual element and its significance in stores. The outcome of visual merchandising in reaching out

to consumers in an effective way and its role in the consumers' buying process is discussed in the paper. The dimensions of visual elements are studied either for a planned or an unplanned purchase behavior of shoppers in apparel stores. Visual elements and consumer buying behavior is understood in the organized retail store formats. (Kaldeen Mubarak, Musthapha Mufeeth 2020) impulsive buying behavior of customers is observed for its connectivity with visual merchandising efforts of the apparel store. The desirability of the merchandise is enhanced and motivates a customer to go for an unplanned purchase. (James Hussain 2017) The relationship between visual merchandising and consumer behavior is studied to study its impact on retailer sales. lighting, fixture, mannequin, and window display have a significant influence on consumer buying behavior as per studies. (Riaz Hussain , Mazhar Ali 2015) Atmospheric variables' impact on consumer purchase intentions was studied and found that they have a positive association for variables like lighting, Color, display, and layout and less association with regards to temperature, Music, and Color. (Dr. Yasir Ali Soomro, Sana Abbas Kaimkhani, Javeria Iqbal) Visual merchandising techniques in stores increase footfall and gain an edge over the competitors. It has an impact on customer attention and enhances positive consumer behavior in the store while communicating store strategies and encouraging customer revisit.

5. Discussion and Findings:

Visual merchandising displays influence consumers buying decisions/patterns to an extent, at the subconscious level consumers pay attention to visual elements in the store get carried away, and may decide to buy immediately or at a later point in time. Visual elements guide the customers not only to the product but it led them to various product choices offered by the retailer. visual merchandise techniques implemented in stores' impact may vary across gender, age, personality, and attitude of customers. Women pay more attention compared to men to the visual merchandising efforts of the store. Generally, women pay more attention to the color combination and looks of the store, men pay more attention to the signboards and information on products.

Organized retail stores account for less percentage of the Indian retail market through being dominated by mom-and-pop stores. The present market scenario has changed drastically in the last decade, and performance is expected to reach new heights in the years to come. With the drastic growth in a branded retail chain, supermarkets, and malls across the country visual merchandising implementation are gaining pace, especially in apparel retail store formats. Promotions in-store help a retailer survive the competition in the retail environment. Visually engaging customers in the store are need of the hour. Apparel firms are maintaining customer relations with the enhanced store experience, engaging customers with the current visual merchandising techniques adopted in the store. Retailers are implementing contemporary merchandising techniques in stores to have a competitive advantage. They are constantly working on strategies to keep updated with the new trends in the retail market and create a vibrant store environment.

Few retailers consider visual merchandising an unnecessary burden as it adds to cost, an added expenditure they may not be leading to realize benefits immediately, like a sales promotion in-store. Visual merchandising techniques need to be adopted based on market research, merchandise offered in the store, retailer's experience, and store budget. Continuous monitoring is required to refine and redefine visual merchandising strategy. Well-designed strategy improves customer experience, sell targeted items, influence buyers' decisions, engage customers, create maximum use of promotional space, organizes retail space, and help customers find what they are looking for easily.

Colour, lighting, aroma, and music in the store creates a sensory experience to enhance the overall customer perception of the apparel store and generate a sense of relaxation while shopping. Window displays play a role in apparel retail stores as they create interest among customers and lead them to store and ship more products. Customers are engaged and encouraged to spend more time and shop more due to the visual merchandising efforts of a retailer to enhance the customer appeal of the store.

6. Conclusion:

Apparel retail stores have implemented various visual merchandising techniques to establish strong customer relationships in-store and motivate customers to enter the store, buy more, and create strong brand value. A well-designed and logical displays attract customers and make them explore merchandise. Visual merchandising displays influence the buying behavior of shoppers. The store environment needs to increase convenience and put customers at ease. Customers' preferences need to be understood and managed well by a retailer. Visual merchandising efforts of a retailer create an urge among customers to go for an impulse buying, plan for a store advertisement, increase sales, contribute to customer loyalty, Good shopping experience, and forte to manage competition in apparel retail store

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