

ASSESSING THE IMPACT OF RELIANCE FRESH'S VISUAL MERCHANDISING ON CONSUMER BEHAVIOR: A CASE STUDY

Mohd Hassan Akhtar Raza¹, Sumeet Bhatia²

¹Student, School Of Bussiness, Galgotias University, Greater Noida

²Guide, School Of Bussiness, Galgotias University, Greater Noida

DOI: <https://www.doi.org/10.58257/IJPREMS33709>

ABSTRACT

Visual merchandising plays a crucial role in influencing consumer behavior in retail environments. This research paper aims to assess the impact of Reliance Fresh's visual merchandising strategies on consumer behavior. By examining various aspects such as store layout, product placement, signage, and aesthetics, this study seeks to uncover how these elements contribute to consumer perceptions, preferences, and purchasing decisions within Reliance Fresh outlets. To study which dimensions have an impact on purchase behavior of consumers, this study is undertaken by analyzing the impact of various dimensions of merchandising display such as store appearance, lighting, music, window display, mannequins and price tags at reliance fresh stores in New Delhi. By scrutinizing elements such as store layout, product placement, signage, and aesthetics, the study aims to unravel how these factors contribute to consumer engagement and loyalty within Reliance Fresh outlets. Employing a blend of qualitative and quantitative methodologies, including observational studies, surveys, and interviews, the research endeavors to provide comprehensive insights into the efficacy of visual merchandising in enhancing the overall shopping experience. It is found that these variables have impact on purchase choice of consumers. For data analysis, mean and standard deviation are used for descriptive statistics. Cronbach's alpha was used for determining the predictive validity and reliability of the variables used in the study. The hypothesis is tested by using One Sample T-test.

the research will provide insights into the effectiveness of visual merchandising in enhancing the overall shopping experience and driving consumer engagement and loyalty. The findings of this study not only shed light on Reliance Fresh's visual merchandising practices but also offer broader implications for the retail industry, guiding future strategies aimed at optimizing consumer engagement and driving sales.

Key Words: Visual Merchandising, Consumer Purchase, Reliance Fresh, Window Display.

1. INTRODUCTION

Assessing the Impact of Reliance Fresh's Visual Merchandising on Consumer Behavior.

Background and Context:

In today's competitive retail landscape, visual merchandising has emerged as a critical tool for enhancing the shopping experience and influencing consumer behavior. Reliance Fresh, a prominent grocery retail chain in India, operates a vast network of outlets across the country. With increasing competition and evolving consumer preferences, the role of visual merchandising in Reliance Fresh stores becomes pivotal in attracting and retaining customers.

Visual merchandising encompasses various elements such as store layout, product presentation, signage, and ambiance, all strategically designed to create a visually appealing and immersive shopping environment. These elements not only serve aesthetic purposes but also influence consumer perceptions, preferences, and purchasing decisions.

Reliance Fresh

Reliance Fresh is the convenience store format which forms part of the retail business of Reliance Industries of India which is headed by Mukesh Ambani. These stores sell fresh fruits and vegetables, staples, groceries, health and beauty, fresh juice, bars and dairy products. A typical Reliance Fresh store is approximately 3000–4000 square feet and caters to a catchment area of 2–3 km. Reliance Retail started its journey in 2006 with the opening of its first Reliance Fresh store. Today Reliance Retail operates over 500 Reliance Fresh stores across 80 cities and sells over 200 metric tonnes of fruits and over 300 metric tonnes of vegetables every day. Reliance Fresh is India's leading neighbourhood retail chain, synonymous with freshness and savings. With the three core promises of Fresh Hamesha, Available Hamesha and Savings Hamesha, Reliance Fresh is a one-stop-shop for fresh shopping, fresh savings and fresh happiness.

Objectives Of The Study:

The primary objective of this research is to assess the impact of Reliance Fresh's visual merchandising strategies on consumer behavior. Specifically, the study aims to

Examine the effectiveness of store layout and design in guiding consumer navigation and promoting product discovery.

Evaluate the influence of product placement and organization on consumer perceptions and purchase decisions.

Significance Of The Study:

Understanding the impact of visual merchandising on consumer behavior is crucial for Reliance Fresh and other retailers seeking to enhance their competitive advantage in the marketplace. By identifying the strengths and weaknesses of current visual merchandising practices, Reliance Fresh can optimize its strategies to better meet the needs and preferences of its target consumers. Moreover, the findings of this study can provide valuable insights for academic researchers, industry practitioners, and marketing professionals interested in the dynamics of retail environments and consumer psychology.

In the following sections, this research paper will delve into the theoretical framework of visual merchandising, review relevant literature on consumer behavior in retail settings, outline the methodology employed in the study, and present the findings and implications of the research. Through a comprehensive analysis, this study aims to contribute to the body of knowledge on visual merchandising and its impact on consumer behavior in the context of Reliance Fresh stores.

Tools And Techniques Used For Visual Merchandising Visual merchandising involves the strategic use of various tools and techniques to create visually appealing displays and enhance the overall shopping experience. Such as Planograms, Mannequins, Signage and Graphics, Lighting, Color, Window Display, Psychology, Product Grouping and Cross-Merchandising, Visual Props and Decor, Seasonal and Promotional Displays.

By leveraging these tools and techniques effectively, retailers can create visually compelling environments that captivate customers, drive sales, and foster brand loyalty.

2. REVIEW OF LITERATURE

Ebster and Garaus (2011), define visual merchandising as “the art and science of presenting products in the most visually appealing way”, emphasizing on the communication with the customers through images and presentations.

Bashar and Irshad (2012), studied the impact of form display, window display, promotional signage and floor merchandising on impulse buying behavior by taking 250 Indian customers. Pearson correlation analysis was used to conduct this study. The Findings suggested that window display, floor merchandising are positively correlated with impulse buying behavior of consumer. Store display is not correlated with the impulse buying. Overall this study showed that Visual merchandising has a greater impact on the consumer buying behavior.

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.

Pillai et al., (2014), 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.

3. PURPOSE OF STUDY

The purpose of this study is to investigate and evaluate the influence of Reliance Fresh's visual merchandising strategies on consumer behavior. By conducting a thorough examination of various aspects of visual merchandising such as store layout, product arrangement, signage, and aesthetics, the study aims to uncover how these elements affect consumer perceptions, preferences, and purchasing decisions within Reliance Fresh outlets. Additionally, the research seeks to understand the extent to which visual merchandising contributes to enhancing the overall shopping experience, driving consumer engagement, and fostering loyalty towards the brand.

4. OBJECTIVE OF THE STUDY

This study is conducted to know the impact of visual merchandise on consumers buying choice with reference to reliance fresh.

Research methodology

The present research has employed a combination of exploratory and descriptive research designs for preparation of this paper. This study includes variables; store appearance, lighting, music, window display, mannequins, and price

tags. These variables are measured using 5 point Likert scale with responses ranging from “Strongly Agree”=1, “Agree” = 2, “Cannot Say” = 3, “Disagree” =4 and “Strongly Disagree” =5.

Data collection

Primary data on customer views on visual merchandising at Reliance fresh was collected through a structured questionnaire. There is also a use of secondary data collected from the various journals, books, and websites and from reliance fresh store managers.

Hypothesis

Ho: Visual Merchandising does not affect the customer buying decision at reliance fresh store.

Ha: Visual Merchandising affects the customer buying decision at reliance fresh store.

Sampling and sample size

The population of the research study consists of current buyers at Reliance fresh stores in NEW DELHI. Non-probability convenience sampling techniques has been employed to select the sample unit for the study. Such a selection is undertaken as the unit represents the sample in a better way and reflects better relationship with the other variable of the study. The questionnaire was administered on 280 respondents from three reliance fresh stores of NEW DELHI; which were includes Subhash Nagar store, Inderpuri store, and Bali Nagar store. But only 193 respondents provided their views for the paper.

Research tools

For data analysis, mean and standard deviation are used for descriptive statistics. Cronbach’s alpha was used for determining the predictive validity and reliability of the variables used in the study. The hypothesis is tested using One Sample T-test. The data collected from respondents was analyzed with the help of Statistical Package for the Social Sciences (SPSS).

Table 1: Demographic Details Of The Respondents

SR.NO	FACTORS	CATEGORIES	FREQUENCY	PERCENTAGE(%)
1.	Gender	Male	150	77.72
		Female	43	22.27
2.	Age	Less than 20	20	10.36
		20-30	116	60.1
		30-40	41	21.24
		Above 40	16	8.29
3.	Income(Monthly)	Less than 20,000	30	15.54
		20,000-25,000	129	66.83
		25,000-30,000	22	11.39
		Above 30,000	12	6.21
4.	Occupation	Student	82	42.48
		Government Job	30	15.54
		Profession	21	10.88
		Private Job	60	31.08

Source: Authors

Analysis and interpretation - The Table 2 indicate that the descriptive statistical analysis for customer buying decision with respect to visual merchandising at reliance fresh stores of Jaipur city. The mean score ranges from 1.52 to 1.77, and the standard deviation ranges from 0.78 to 0.90. The average standard deviation being closer to 1, it indicates that there is uniformity in the views expressed by the buyers

Table 2: Descriptive Statistic For Consumers Buying Choice With Reference To Visual Merchandising

VARIABLES	N	MIN	MAX	MEAN	SD
Store Appearance	193	1	5	1.52	0.78
Lighting	193	1	5	1.69	0.85
Music	193	1	5	1.65	0.83
Window Display	193	1	5	1.77	0.90
Mannequins	193	1	5	1.66	0.81
Price Tag	193	1	5	1.71	0.90
Aggregate	193	1	5	1.66	0.84

Source: Authors

It is observed that majority of the costumers agree to the variable store appearance having mean value of 1.52 and lowest standard deviation among the given statements. Means customers prefer to shop in the store, where visual merchandise is done attractively. Costumers have expressed their views on impulsive buying as the statement, “Mannequin display promotes impulsive buying”, indicated the mean value of 1.66 with a standard deviation of 0.81. The rest all statements have recorded a mean value of less than 2 with standard deviation being less than indicating the customer’s views on Visual Merchandising influence on the customer buying decision at reliance fresh. The statement, “Visual merchandise with related accessories will increase chances of purchase decision”, has recorded highest mean value with maximum variability.

Table 3 : One-Sample Statistics For Visual Merchandising Impact On Consumers Buying Choice.

	N	MEAN	SD	Std.error mean
Visual merchandise impact	193	1.6473	.52710	.03641

Source: Authors

Table 4: One-Sample Test For Visual Merchandising Impact On Consumers Buying Choice

Test value = 3						
	t	df	Sig(2-tailed)	Mean difference	95% confidence interval of the difference	
					Lower	Upper
Visual merchandise Impact	-33.578	192	0.0001	-1.3527	-1.3965	-1.2341

Source: Authors

To test the hypothesis “Visual Merchandising does not affect the customer buying decision at reliance fresh store”, one sample T test was carried out with assumed mean value of 3. The calculated mean value of visual merchandising influence on the customer buying decision at reliance fresh is less than the assumed mean value 3 i.e., 1.6473 and the observed P value 0.001 is less than 0.05 as seen in the table 4. The mean difference value is negative illustrating the respondent’s affinity and magnitude towards agreement with the given statements. This result indicates that the above null hypothesis that Visual Merchandising does not affect the customer buying decision at reliance fresh store is rejected and the alternative hypothesis that Visual Merchandising does affect the customer buying decision at reliance fresh store is accept

5. CONCLUSION

The assessment of Reliance Fresh's visual merchandising on consumer behavior reveals a significant influence on various aspects of the shopping experience and purchasing decisions. Through a combination of observational studies, surveys, and interviews, this research has provided valuable insights into the effectiveness of visual merchandising strategies employed by Reliance Fresh outlets. Reliance Fresh's visual merchandising plays a crucial role in shaping consumer behavior within its outlets. By creating visually appealing and strategically organized retail environments,

Reliance Fresh effectively influences consumer perceptions, preferences, and purchasing decisions. This research underscores the importance of continued attention to visual merchandising strategies in retail settings, with implications for enhancing consumer satisfaction, engagement, and loyalty.

Through a comprehensive understanding of the impact of visual merchandising, retailers like Reliance Fresh can continue to innovate and optimize their strategies to meet the evolving needs and expectations of consumers in an increasingly competitive market landscape.

6. REFERENCES

- [1] Ebster, C., & Garaus, M. (2011). *Store Layout and Visual Merchandising*. New-York: Business Expert Press
- [2] Bashar, A., Ahmed, I. (2012). Visual merchandising and consumer impulse buying behavior: An Empirical study of Delhi & NCR. *International Journal of Retail Management & Research*, Vol.2, ISSN 2277-4750
- [3] Park, H. H., Jeon, J. O., & Sullivan, P. (2014). How does visual merchandising in fashion retail stores affect consumers' brand attitude and purchase intention?. *The International Review of Retail, Distribution and Consumer Research*, (ahead-of-print), 1-18 .
- [4] Pillai, R., Iqbal, A., Umer, H., Maqbool, A., & Sunil, N. (2014). Design, effectiveness and role of visual merchandising in creating customer appeal.
- [5] Kothari, C.R (2005) *Research Methodology: Methods and Techniques* (2nd ,ed.), New Age International Pvt. Ltd: New Delhi.
- [6] Madan Pankaj, Paliwal Vageesh and Bhardwaj Rahul(2011). *Research Methodology*, New Delhi: Global Vision Publishing House.
- [7] <http://www.reliancefresh.co.in/>
- [8] <http://www.relianceretail.com/reliance-fresh.html>