

**THE IMPACT OF VISUAL MERCHADISING MANAGEMENT ON  
CUSTOMER ATTRACTION IN RETAIL STORE**



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**THE IMPACT OF VISUAL MERCHADISING MANAGEMENT ON  
CUSTOMER ATTRACTION IN RETAIL STORE**

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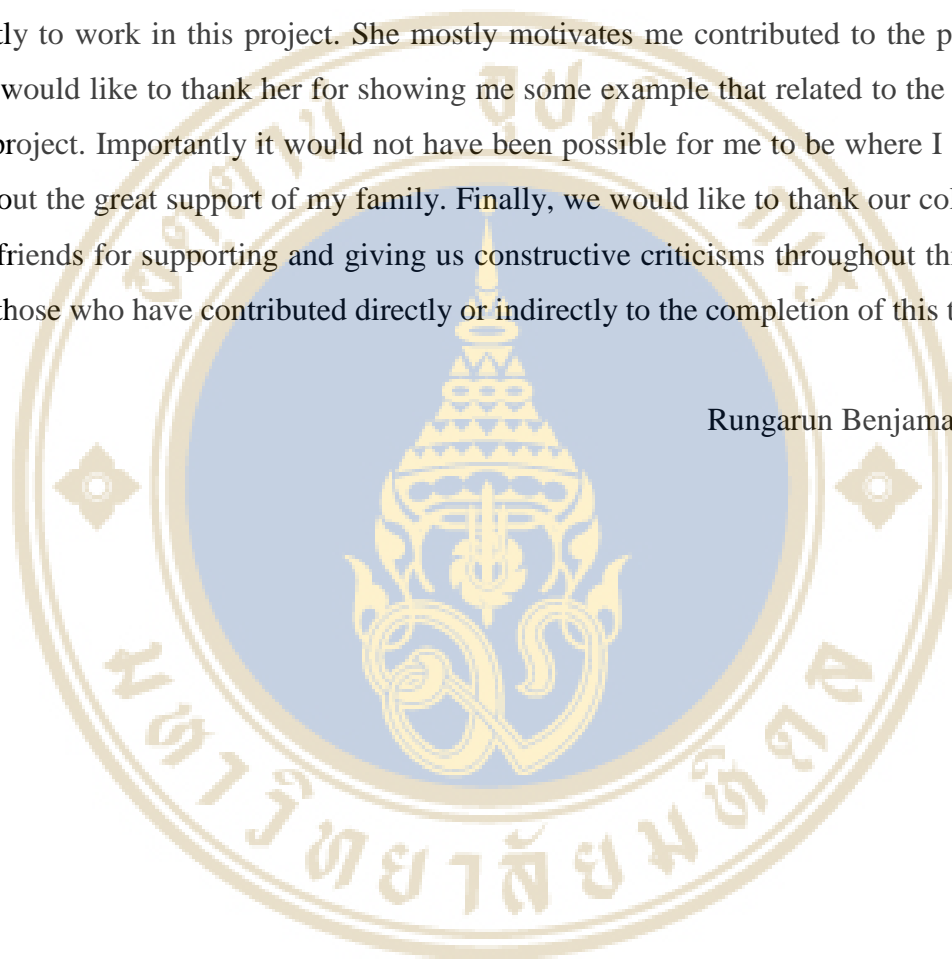
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## **THE IMPACT OF VISUAL MERCHADISING MANAGEMENT ON CUSTOMER ATTRACTION IN RETAIL STORE**

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### **ABSTRACT**

In order to make a good store atmosphere and attract more customers, many business use and implement different techniques to gain customer attention such as visual merchandising. These techniques allow businesses to differentiate their offerings from other competitors. The purpose of this paper is to investigate the relationships and find an effectiveness of in shelf visual merchandising techniques on customers' attention.

This research applied qualitative methodology by using both observation and experimentation of customer behavior. The result of the study shows that there is a directional relationship between customers' purchasing decision and some visual merchandising techniques: in- store product display position, product shelf decoration and in shelf promotion.

This paper gives insights to retailers as to which visual merchandising techniques can significantly attract customers' attention. This study also provides information about the techniques that should be part of business' marketing and retailing strategic planning.

**KEY WORDS:** Visual merchandising / Store display / Customer buying decision

44 pages

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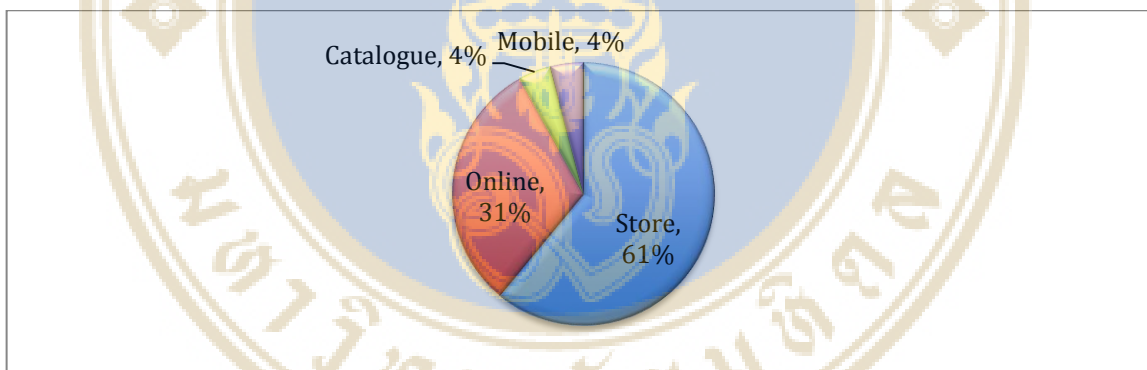


## CHAPTER I

### INTRODUCTION

There are many channels for consumers and shoppers to make a purchase such as in store, online Internet, mobile shopping and catalogue shopping that caused the increasing in business competition. As the A.T. Kearney Future of Stores studied that shopping in store still be the most popular channel for customers. As shown in the Figure1, customers spent a large proportion of time shopping in store about 61%, following by 31% of online shopping so in stores remain the best opportunity for a business to inspire customers to spend more money and times than planned.

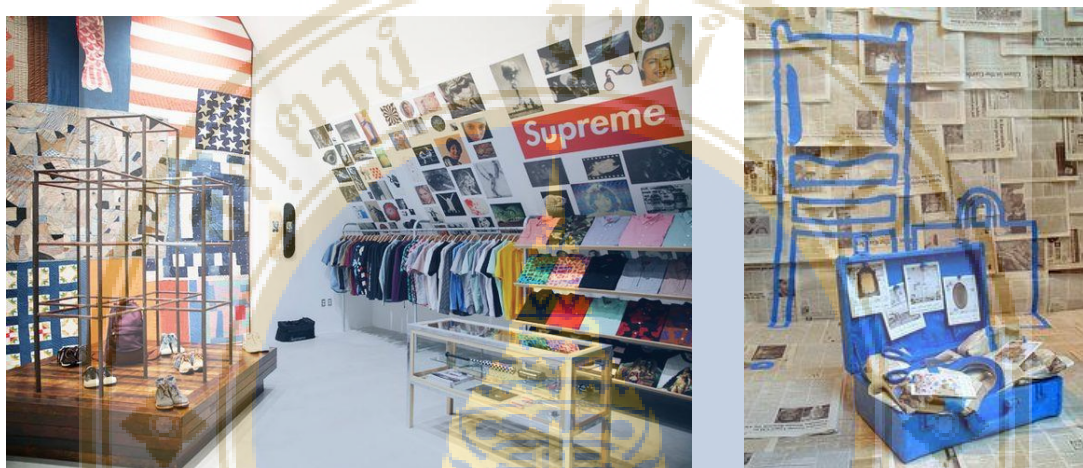
**Table 1.1 Represent the customer shopping channels. (A.T.Kearney Future of stores, 2010)**



Retail store become the important platform for every business including in fashion, home furnishing, automobile section, technology, food and beverage business and FMCG industry (Mckinsey, 2011) Many businesses confront with the problem of how to arrange their product to gain the most customer awareness (Jiyeon, 2003) and what is the best system to gain better use in the point of purchase (POP).

There are three characteristics of the retail store purchasing behavior, which is the important factors that should be determined in the purchasing behavior. Firstly most of the customer's making decisions are occur in the store and customer significantly processing product information in the bottom-up than top-down in the nature (Hoch and Deighton,1989). Another research investigated the behavior of

customer in the supermarket have found that only 25% of purchasing are planned before they come in the store (Dagnoli,1987). Secondly, Some research shows a low involvement of customer in store in order to making a purchase. Customer may make their purchasing choice very quickly after less searching for information and after price comparing (Hoyer,1984). Lastly the survey expressed that most customer go shopping in store every week. The average shopping times is about 2.2 times a week (Coca-Cola Research Council, 1994).



**Figure 1.1 A Supreme shelf in the department store**

Visual merchandising normally are defined as an everything that customer can touch, see, both exterior and interior which represent in overall store environment including in shelf display, merchandise presentation, in store design, window display, mannequins, Props, store lighting and graphics and signals (Cahan & Robinson, 1984; Diamond & Diamond, 2003). These visual merchandising tools help customer to easily approach product visually, physically, mentally and intellectually without the help of a sales person (Ravazzi, 2000). Because of the mood of customer can stimulate their purchasing decision in the positive way. Moreover having good virtual merchandising can create a positive image of a business and results in attention, interest, desire and action on the part of the customers (Baker and Grewal,1992). Visual merchandising is the way to make a differentiating in businesses from other competitors in the case that competitor's product is quite similar in the market but the way to make the different in customer eye is superior store presentation with match

with customer's expectation. It gives the business an opportunity to compete other competitors.

There are many factors that should be consider to design the effective visual merchandising in the retail store (Sarah Bailey and Jonathan Baker, 2014)

- High level including in ceiling, walls, lighting, architecture, graphics and display product
- Eye level which are product positioning, Props, point of sales, countertop installation and graphics
- Ground level that consist of fixtures, seating, layouts, densities, product positioning, flooring and lighting
- Windows including fascia, storefront and entrance.

### **1.1 Research Scope**

The scope of the study is limited in two main levels; the eye level and ground level. Some brand condition with retail store is hard to change or required to add additional requirement that is unstable to investigate and get a result.

### **1.2 Study of V trend Intertrade Co., Ltd**

This paper is based on the Vtrend Intertrade Co., Ltd case, an stationary business named Oohlala brand. The product included mobile phone case, pencil pouch, notebook, sticker, pen, wallet and key chain They distribute product to sell at many department store such as; Be trend (Siam Paragon department store), B2S, Loft and Be trend (Emporium). They faced the problem of allocating product and designing shelf space which caused the low expected sales and defect packaging product so they try to solve both problems by re-arrange product shelf which easy for customer to see the whole product.



**Figure 1.2** The cover pictures of Oohlala Facebook

### 1.3 Problem Statement

Vtrend Intertrade Co., Ltd, an Oohlala Thailand distributor, faced the problem of wrong shelf arrangement between low price and higher price product caused the low expected sales. The company also has the problem of defect packaging product, which occurred when customer tries to look what actually products are. After changing the layout of shelf display and adding some trail product, the revenue increase and the defect product decrease. In other word, changing product position may help company in the positive way and have highly involved with customer awareness. Moreover some customer can't find where oohlala shelf located so making shelf to be more attractive while customer entering in the store should be concerned.

### 1.4 Research question

It is an essential to investigate how the effect of in shelf visual merchandising has an impact on customer attention? What is the most effective the shelf display position?

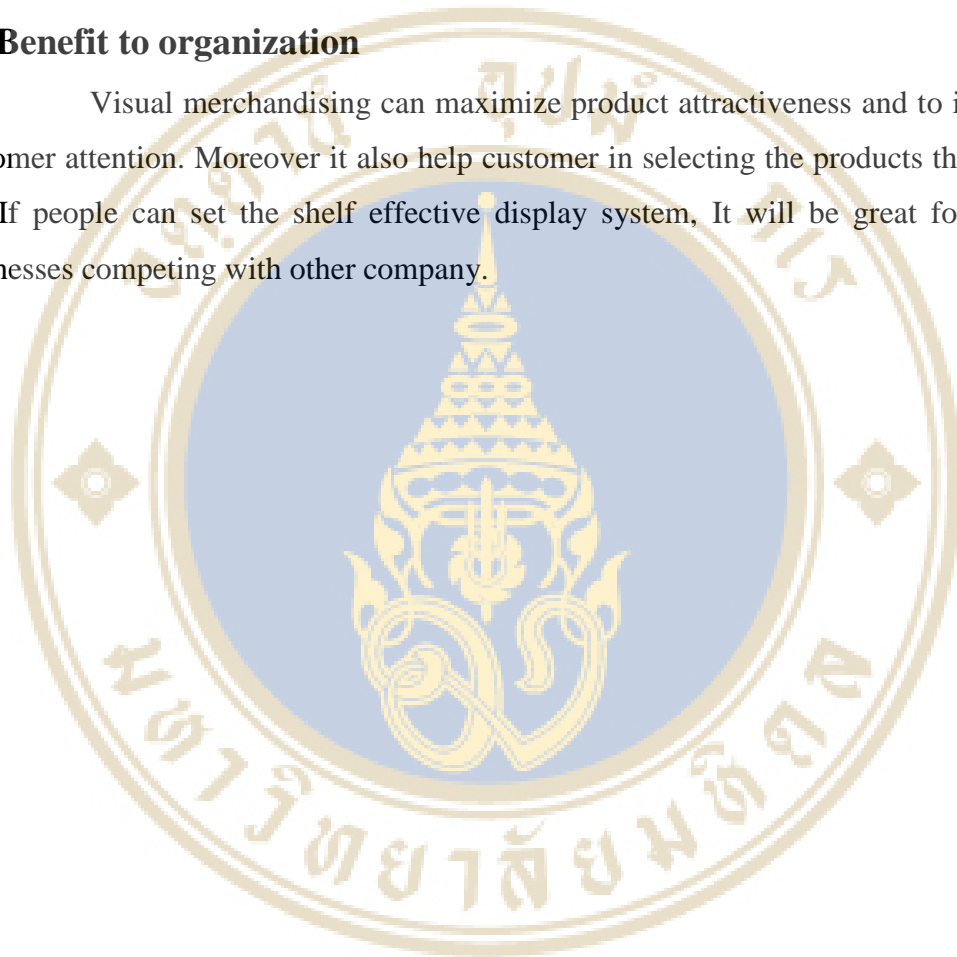
## 1.5 Research objective

The key objectives of this research are;

1. To identify the most important visual merchandising method that would influence customer's awareness in buying process.
2. To get a necessary recommendation in improving existing shelf.

## 1.6 Benefit to organization

Visual merchandising can maximize product attractiveness and to impulse customer attention. Moreover it also help customer in selecting the products they look for. If people can set the shelf effective display system, It will be great for many businesses competing with other company.



## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Visual Merchandising**

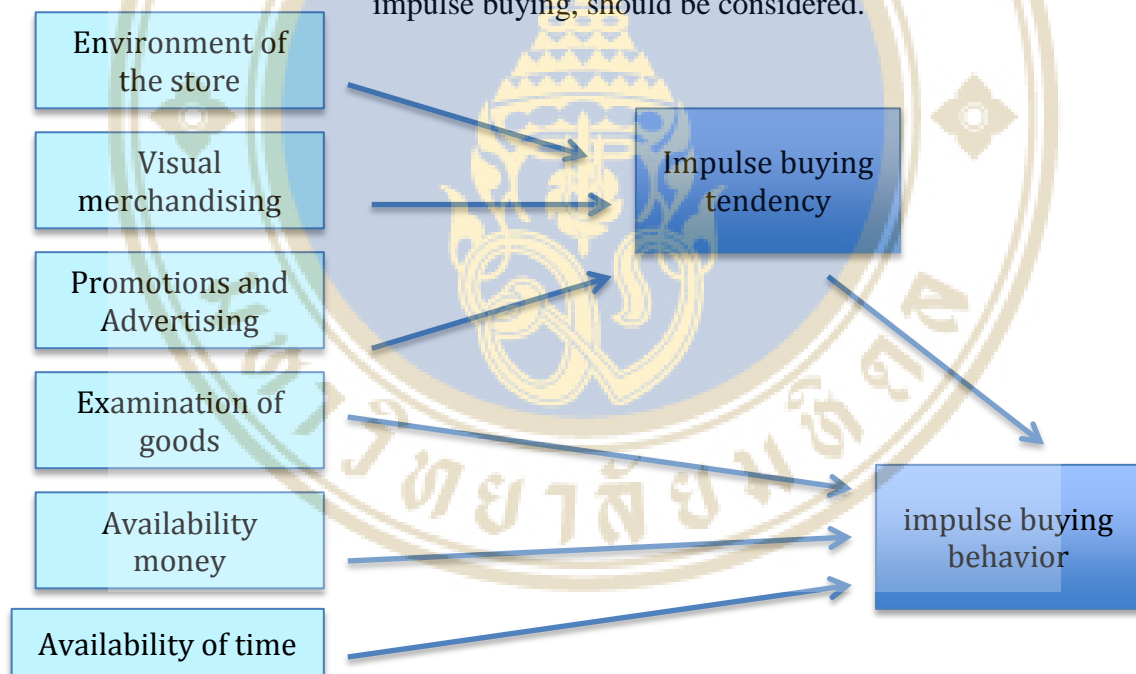
Effective visual merchandising plays an important role for every retail business. In order to attract customers or shoppers to increase brand awareness and make a purchase immediately by using innovative display design, attractive sign board, Adv., shelf arrangement or other factors which draw customer's attention to do impulse unplanned buying. Many researchers investigated that selling the product is not an important issue but product should be related with customer satisfaction and facilitation for customers are also important in customer purchasing decision. (Quartier K, Vanrie J, 2009 )

Visual merchandising included exterior displays that are window display, façade, which create good first customer impression when they enter to the store. (Darden, 1983). Another one is the store interior that are signage, layout, fixturing, props or other presentation methods and ambient condition (Davies B and Ward P, 2002). Related with Kotler's definition a visual merchandising as an atmospheric, which is the important strategy in terms of customer expectation in the in store. Visual merchandising also studied various aspects of customer such as cognitive and sensory effect (Fiore A and Yah X, 2000). For example when customers have a stress mood, they will no longer be in store. So visual merchandising is an effective way to learn and understand customer-purchasing behavior.

## 2.2 Impulse Buying Behavior

Impulse buying behavior means that the purchasing of a certain product without thinking or spend less time in making decision. It occurs when customers get surrounded in the store by some extra sort of excitement and newest. (Underhill,1999). Unplanned purchase is the one of the most important knowledge for understand purchasing behavior and customer's perception (Park and Kim, 2008). Positive feeling in the customer 's mind will lead an impulse buying satisfies for social interaction, entertainment, excitement and higher status to the customers.

Figure 2.1 represents the model of impulse buying with a store environmental stimulation and situational aspects of customer consumption. Environmental stimulation in accelerate customer buying process included store visual merchandising, promotion, marketing stimuli which is conducted by marketers. Moreover the two factors of situation factor, which are money and time available on impulse buying, should be considered.



**Figure 2.1** The factors that stimulate an impulse buying process. (source: Afr.J. Business)

There are three characteristics of impulse buying, which are different from other purchase behavior;

- First, Being unintended or unwanted
- Second, Being unreflective
- Third, Spontaneous or sudden (Jones et al., 2003)

Unintended or unwanted purchasing refers to when the customers are not plan to look or buy product but finally buy it without planned before. Unreflective purchase means customers are lacking of evaluating product in thinking about long term result. Spontaneous or sudden purchase of something refers to customers were making a purchase with a very short time or in the other word customers buy the product immediately after seeing it (Dawson and Kim,2009).

In impulse buying process, Customers are being affected by internal and external environment factors (Dawson and Kim,2009). The internal factors contain of features as light, decoration, integrated sales technique and other marketing activities (Levy and Weitz,2007). The external factors refer to marketing stimuli, which set by marketers such as in store promotion, discount price in order to attract customer attention (Youn and Faber , 2000).When customers are persuaded by promotional incentives, they will have a high motivation for buying and try to make decision faster which resulting in unplanned purchase of goods or services. External factors effectively can increase customer attention and increase purchasing volume than what customer firstly planned to purchase.

### **Visual Merchandising in Relation to Impulse Buying Behavior**

In-store shopping has a relevant effect in both internal and external factors. The impulse buying process has a strong relation between consumers' impulse buying behavior and other factors from visual merchandising. In some research investigated that customers who are looking for shopping in the store make more an unplanned purchase, when customers stay in the store longer than usual because customers will tend to encounter more surrounding stimuli in the store such as in store promotion, nice decoration resulting in increasing purchasing (Jarboe and Mc Daniel,1987).This supports Stern's (1962) conceptualization of impulse buying as a response to the consumer's respond to in-store stimuli. Shoppers may actually use a form of in-store

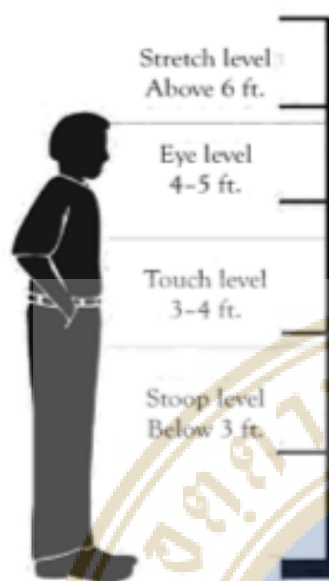


planning to finalize their intentions (Rook, 1987). So when customers faced some store stimuli such as in store visual merchandising and in store promotion, they will have more possibility to make more purchase and increase their awareness toward the product. (Han et al., 1991).

### **2.3 Shelf space management**

The shelf display is referred to the location and space where customers meet the product. Actually the shelf display in the retail business is like a silent salesman (Mc Kinsey, 2011). So managing shelf Space is important for every retailer to draw a customer attention and to maximize profit for the company. There are the problems in allocating product to the shelf space as shelf space is a scarce and fixed with retail store condition also the number of product continually increase so the problem of how to allocate the entire product to the shelf should be deeply considered. Thus, customer's purchasing process may be influenced by in-store factors including shelf space position and in shelf related factors. Well-organized shelf display management can increase company performance, attract more customers and also prevent the defect stock control. Treblanche N (1999) stated that the factors that influence shelf attractiveness in customer purchasing behavior are;

## 2.4 Eye level zone



**Figure 2.2 The vertical shelf levels (Stretch level, Eye level, Touch level, Stoop level)**

- Stretch level (>6 ft.) is a less valuable shelf zone, which can gain less customer attention. So the product that should be placed in this area is a lightweight product because it can prevent product from possible damage.

- Eye level (4-5ft.) is located in the eye level zone, which is the key position for the product that wants to be emphasized or wants to promote to get the best attention.

- Touch level (3-4ft.) this shelf level is located approximately at the customer waist height. Product that is placed in this area will receive more attention than product in stretch level and stoop level but it is less important than eye level. The product that should be placed is high profit product or high price product.

Stoop level (<3ft.) this shelf level is not that attractive for customer while walking in the store. The product in this level are low margin merchandising or heavy product are also placed in this level to avoid the damage and it's easy for customer to select the product.

The difference in the shelf zone does not affect only customer's perception toward the product but some researchers also studied that product in customer's mind

are differently depend on the shelf or place which they are located in. The product that are located in eye level and touch level will get more customer awareness and attention.

The shelf position also has an impact on the sales of the retail store product. As the natural tendency of customers who are focusing on the product which are located at the eye level (Abratt and Goodey,1990). The research investigated that the shelf vertical position has higher attraction when compare with the horizontal position. (Dreze,Hoch and Purk ,1994).

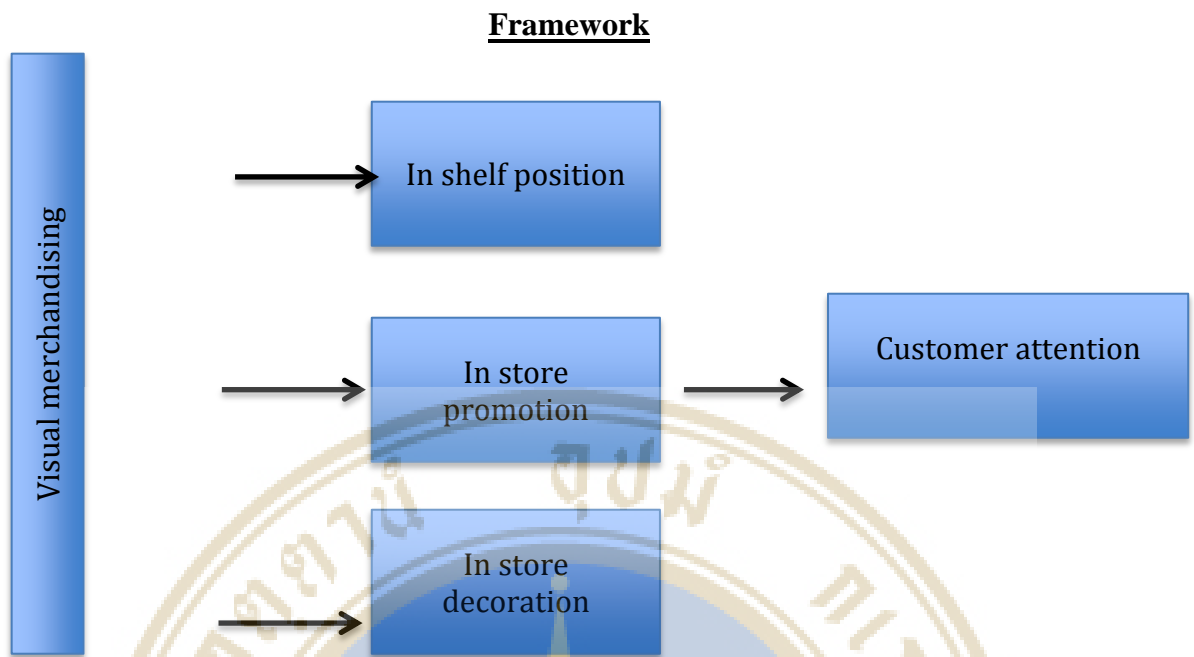
Some research also states that several packages of the same product which is displayed on the shelf. Customer have more possibility to choose the product at the middle (Christenfeld ,1995). The central position can draw customer attention when comparing with other position on the shelf (Shaw and colleagues,2000).

Customers believe that the shopping place where is quite expensive can show the high quality and higher perception for the customer. In addition these shopping place mostly will place an expensive or high quality product on the top of the shelf and placed the cheaper on the bottom shelf (Raghubir and Valenzuela,2008). Moreover some researchers studied that customer when making a purchase of wine product among unfamiliar brands, they will intentionally choose the product that is located at the top or in the middle of the vertical shelf.

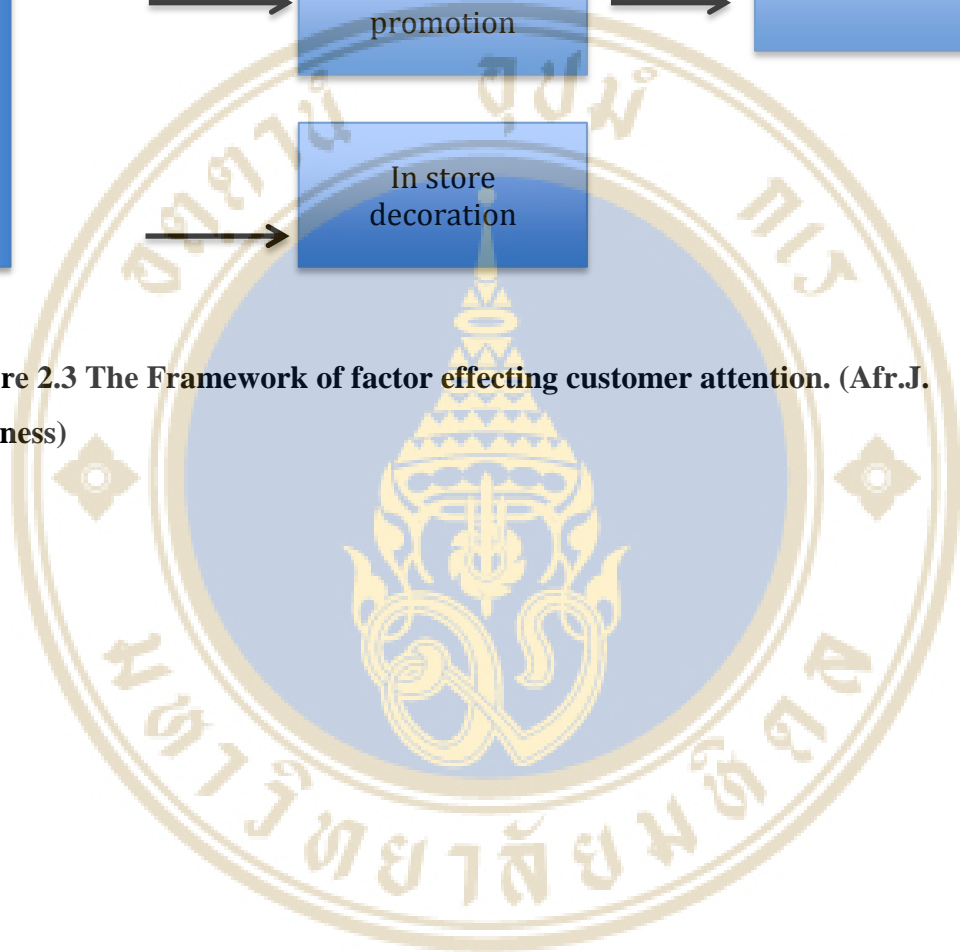
## **2.5 Framework**

From literature review, the research framework is developed in order to indicate factors that stimulate customer to get more attention in the store.

Figure 5 showed the framework on visual merchandising on customer attention in the store. There are three factors, which have an effect on customer attention that are in shelf position, in shelf promotion and in shelf decoration.



**Figure 2.3 The Framework of factor effecting customer attention. (Afr.J. Business)**



## **CHAPTER III**

### **RESEARCH METHODOLOGY**

This study will take in the form of a qualitative analysis method. This research method is a suitable method for research the factor that really impact customer attention behavior in the store due to the nature of the relationship and making decision is built (Eisenhardt et al , 2007). The qualitative analysis is chosen because an open-ended questions helps to gain deep information which hard to gain from other tool of primary research. In other word the main objective is to let interviewee express what they really think, and related idea in their own words. The deep interview is necessary to formulate the meaningful insight of the customer mind and additional detail beyond the secondary research. So this qualitative insight is needed to investigate or to gain the best proposition, which can be empirically hypothesized. The result data will come from the interview with target customers and come from the observation in the real store.

This study has been divided into two research phases;

#### **3.1 Phases one (Observation Process)**

This phases is focus on experiment and exploratory of the customer behavior. An observation research is preferred to perform in the Oohlala shelf display in Be trend at Siam Paragon department store in Bangkok Thailand for four hours from 16:00-20:00 in the weekday of August which is a high traffic time in order to observe customer behavior and understand the impact of visual merchandising element that is adopted to test.

In store visual merchandising factors

- In shelf product position (top, middle, left or right side)
- In store signal and promotion (sale, new coming or hot sign)
- Shelf decoration (Colorful wallpaper, cartoon character on the shelf)

The above in-store visual merchandising elements were found analogous and consistent with the findings of Kerfoot et al., (2003).

### Observation Process

Selecting one item product as the key object to test the customer attention. The selected product is the medium sales product with high price (Aurore Kitchen second bag). The reason to choose this product is because this product has high price and the size of product is medium as well as the product is not the newest with higher interest from the customers.



**Figure 3.1 Aurore kitchen second bag that is used as key product on this research**

In this study, the key object product will be placed in different location; the eye level and the stoop level and added the additional factor to impulse customer attention as the following proposition (P);



<b>Left</b>	<b>Right</b>	Eye Level
<b>P1-1</b>	<b>P1-2</b>	
<b>Left</b>	<b>Right</b>	Stoop Level
<b>P1-3</b>	<b>P1-4</b>	
<b>Left</b>	<b>Right</b>	Touch Level
<b>P1-5</b>	<b>P1-6</b>	

**Figure 3.2 The positions of the key product in the shelf during the observation in this research**

**P1: In shelf product position are positively related to customer attention.**

**P1-1,** Placing the key product in the eye level shelf in the left side position for half an hours to see the number of customer visiting shelf and number of time that customer touch or hold the product to take a look.

**P1-2,** Placing the key product in the eye level shelf in the right side position for half an hours to see the number of customer visiting shelf and number of time that customer touch or hold the product to take a look.

**P1-3,** Placing the key product in the touch level shelf in the left side position for half an hours to see the number of customer visiting shelf and number of time that customer touch or hold the product to take a look.

**P1-4,** Placing the key product in the touch level shelf in the right side position for half an hours to see the number of time customer visiting shelf and number of time that customer touch or hold the product to take a look.


**P1-5,** Placing the key product in the stoop level shelf in the left side position for half an hours to see the number of time customer visiting shelf and number of time when customer touch or hold the product to take a look.

**P1-6,** Placing the key object in the stoop level shelf in the right side position for half an hour to see the customer-visiting shelf. How was customer interacting with the key object and to see the number of time customer visiting shelf.

### Observed variables

- Number of visited customer.
- Average time spending in the shelf.
- Number of customers who hold the key product.
- Number of customers who buy the key product.

**P2: In store signal and promotion are positively related with customer attention.**



**P2-1,** Placing the key product (Aurore kitchen second bag) in the top-left side of the shelf and using in store promotion sign “ SALE ” to investigate how customer respond with a store promotion.

**P2-2,** Placing the key product (Aurore kitchen second bag) in the top-left side of the shelf and using in store promotion sign “ NEW ” to investigate how customer respond with a store promotion.

**P2-3,** Placing the key product (Aurore kitchen second bag) in the top-left side of the shelf and using in store promotion sign “ HOT ” to investigate how customer respond with a store promotion.

### Observed variables

- Number of visited customer.
- Average time spending in the shelf.
- Number of customers who hold the key product.
- Number of customers who buy the key product.



**P3: Shelf decoration (Colorful wallpaper, placing cartoon characters ) is positively related with customer attention.**



**Figure 3.3 The Oohlala shelf in Korea in Thema park event**

**P3-1**, Placing the key product (Aurore kitchen second bag) in the top - left side of the shelf and using additional shelf decoration by adding colorful wallpaper , product sampling and cartoon character on the shelf and investigate how customer are attracted by the decoration.

P3-1.1 Decoration by using colorful wallpaper

P3-1.2 Decoration by using cartoon character

P3-1.3 Decoration by using Oohlala product sampling.

#### **Observed variables**

- Number of visited customer.
- Average time spending in the shelf.
- Number of customers who hold the key product.
- Number of customers who buy the key product.

### **3.2 Phases Two (Interview Process)**

This phase research is conducted to find deeply information and value of shopper and also helps to gain the inside information which hard to gain from other tool of research. In other word the main objective is to let interviewee express what they really think, and related idea in their own words.

#### **Interviewee's Profile**

Oohlala brand customer group are 6 women and 4 men including both frequent and occasional purchase customers of the Oohlala brand which the age 20-35 with a medium to high income (18000 baht to above) due to the price of the brand is quite high compare with other brand product.

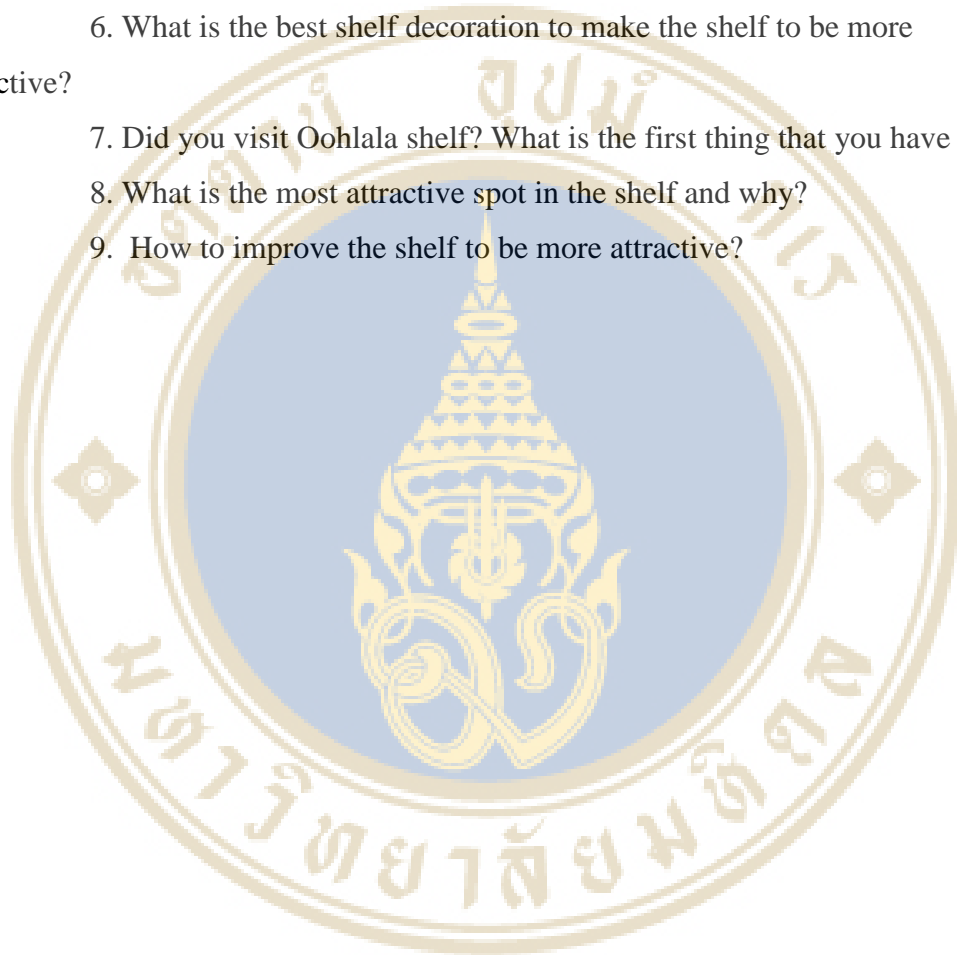
#### **Interview process**

In depth interviews will be conducted in the department store ( Be trend ,Siam Paragon department store). The instrument would be administered to the customer who walking around Be trend. Customers would be asked to cooperate in the interviews by providing deep detail response to the question. The question areas were prepared in non-leading question formats to ensure validity and honesty of responses. The interviews had a time limit of an average of 20 minutes in order to avoid some interview went over of the time limit and no enough time to give information additionally.

Questions were developed from Jay Diamond and Ellen Diamond(2007), Derry Law & Christina ong (2009), Youn,s & Faber,R.J (2000), Rook.D.W.& Fisher,RJ (1995), Gopal V (2006), Bhalla & Anurag, (2010), Vezotolu (2011), Laurent Hubrechts (2012) and Beyhan KOKTURK (2012). The interview question is made from the three primary factors which influence customer buying process in a shelf. First factor measure in shelf product position, second measure in store signal and promotion attractive. The last factor measure shelf decoration such as cartoon characters, colorful wallpaper, Sample showing. In addition the observation from the real place, which can be directly, investigate customer's attention on the sample situation.

**Interview question**

1. What is a good shelf in your aspect?
2. What is the benefit of having good shelf?
3. How can product type shorten your information search process?
4. What do you think about the shelf which has a “New”, “Hot” , “Sale” sign?
5. Which one would buy and which one is the most attract? Why?
6. What is the best shelf decoration to make the shelf to be more attractive?
7. Did you visit Oohlala shelf? What is the first thing that you have seen?
8. What is the most attractive spot in the shelf and why?
9. How to improve the shelf to be more attractive?



## **CHAPTER IV**

### **DATA ANALYSIS**

The data results from this study of the use of experiment and interview on “the impact of visual merchandising management on customer attraction in retail store” presented in this chapter. Analyses of the interview will follow by the involvement on customer’s intention or response to the use of visual merchandising in the in shelf arrangement, as well as the perception toward in store visual merchandising in customer’s mind.

#### **Shelf position (Question 1-3)**

Each question will be analyzed along with the correlation test and a deep customer perceptual analysis about product’s position. Good shelf position in most of customer mind is a large shelf size, well arrangement, designed attractive, variety of product, colorful display, product stand and cleanness. Product should be arranged to facilitate customer when they are finding specific item and can help staff easily manage the stock. Moreover having a good shelf can attract customer attention when they are entering to the store, also can create good brand reputation and brand awareness in customer mind. Moreover the shelf should support brand image by representing the brand in the positive way.

Eye level and touch level is the most common level which customer have seen the product in the shelf. It confirmed the research of Christenfeld in 1995 that people; mostly attract the product in the top or in the middle when comparing with other position on the shelf. By the way, it significantly depends on the height of the customer. Some customers touch or see the shelf level which is not higher that his/her height.

### In shelf promotion (Question 4-5)

In store promotion signs create different meaning for customer in making purchasing decision.

**Table 4.1 The conclusion of experimental method in each shelf position**

New	“New” sign create a perception to customers that this product is new arrival or it’s a innovative product and some customer think that when purchase a product which has “New” sign make them to be more fashionable shopper.
Hot	“Hot” sign create a perception that this product is best seller or selling good when comparing with other product in the brand that can be delight specific product toward customer mind.
Sale	“Sale” sign create a perception in a positive way to customer that this product is on sale and the price is decrease from the original price. So this sign is most preferred from customer.

From these three sign , “Sale” sign is most preferable because of discount price so this sign can attract customer to visit the shelf the best because customers prefer to buy the product that cheaper with the same quality. Moreover “New” sign is also help customers to decide what product is newly on shelf or it’s new developed version. “Hot” sign is preferable for most of the male interviewee because they’re less concern about price but prefer product which is best seller or quite popular because they want to be accepted as the trendy people.

### In shelf decoration ( Question 6-9)

Shelf decoration are divided into three factors , colorful wallpaper , cartoon character and product sampling, These three factors can gain customer attention when they enter to the store but cartoon character is most preferred from customer. As the decoration depend on the product or brand. For example, product which express as the cartoon brand should decorate by cartoon character but for mobile product , customer want to try it so the decoration should be product sampling.

For Oohlala shelf , there are some concerned in making the shelf to be more attractive. Firstly the shelf should be well arranged with the same categories product that will make customer easily to find product. In addition cleanliness is dramatically effect customer perception. Some interviewee recommended Oohlala shelf to use most of brand cartoon characters as the main decoration in the shelf to attract customer and make customer to remember the brand toward these cartoon characters.

#### 4.1 Experimental method

**P1: In shelf product position are positively related to customer attention.**

**4.1.1 P1-1** Placing the key product (Aurore kitchen second bag) in the eye level shelf in the left side position for half an hours to see the customer visiting shelf time and touching or holding.

**Table 4.2** The summary of the observe variable of placing the key product in the eye level shelf in the left side position including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person

Variable	Number
Number of visited customer	16
Number of customer who touch the key product.	7
Number of customer who purchase the key product.	1
Estimate time spending in the shelf per person	1.24 minute

In the first 20 minute, most of the customers interested in the product by looking inside the box without making a purchase. In the last 10-minute, There are one customer bought it with short time in making decision or compare with other brand. Some customer want to buy the key product but they have no time or in rush. Moreover the size and color of the second bag can attract the customer to visit shelf immediately.

**4.1.2 P1-2**, Placing the key product (Aurore kitchen second bag) in the eye level shelf in the right side position for half an hours to see the customer visiting shelf time and touching or holding the product to take a look.

**Table 4.3 The summary of the observe variable of placing the key product in the eye level shelf in the right side position including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

Variable	Number
Number of visited customer	<b>14</b>
Number of customer who touch the key product.	<b>5</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>1.06 minute</b>

After placing the key product, the group of customer suddenly came to look for the product. Firstly they hold the key product to see the price then start to see other product instead. For the last ten minute, there are another group of customer, they also looking for the key product without hold it and decide to buy other Oohlala product categories.

**4.1.3 P1-3**, Placing the key product (Aurore kitchen second bag) in the touch level shelf in the left side position for half an hours to see the customer visiting shelf time and touching or holding the product to take a look.

**Table 4.4 The summary of the observe variable of placing the key product in the touch level shelf in the left side position including number of visited customers, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>22</b>
Number of customer who touch the key product.	<b>3</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>2 minute</b>

There are a lot of visited customers. Most of the visitor is student; they come to look around to buy some product which price is quite cheap. Some hold the product to see but they are not purchase.

**4.1.4 P1-4**, Placing the key product (Aurore kitchen second bag) in the touch level shelf in the right side position for half an hours to see the customer visiting shelf time and touching or holding the product to take a look.

**Table 4.5 The summary of the observe variable of placing the key product in the touch level shelf in the right side position including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>8</b>
Number of customer who touch the key product.	<b>2</b>
Number of customer who purchase the key product.	<b>1</b>
Estimate time spending in the shelf per person	<b>3.2 minute</b>

A few people come to see the product but they take longer time to look the detail of each product. Some customer look the product from the top of the shelf to the



scoop shelf level and finally buy the key product and others product in the same level.

**4.1.5 P1-5**, Placing the key product (Aurore kitchen second bag) in the stoop level shelf in the left side position for half an hours to see the customer visiting shelf time and touching or holding the product to take a look.

**Table 4.6 The summary of the observe variable of placing the key product in the stoop level shelf in the left side position including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

Variable	Number
Number of visited customer	<b>16</b>
Number of customer who touch the key product.	<b>0</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>1.07 minute</b>

Most of the customer saw the product on the eye level and touch level only without looking the stoop level. Some of the customer start to investigate the product from the top to the lower but it's significantly use less time in the lower one.

**4.1.6 P1-6**, Placing the key product (Aurore kitchen second bag ) in the stoop level shelf in the right side position for half an hour to see the customer-visiting shelf. How was customer interacting with the key object?

**Table 4.7 The summary of the observe variable of placing the key product in the stoop level shelf in the right side position including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>19</b>
Number of customer who touch the key product.	<b>1</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>1.8 minute</b>

There are a lot of book in the left side of a stoop level, some customer like to look in the stoop level to find something which may be interest inside a huge messy product because the stoop level contain a variety of notebook, fabric bag which are superimposed.in the same pile.

#### **4.2 P2: In store signal and promotion are positively related with customer attention.**

**4.2.1 P2-1,** Placing the key product (Aurore kitchen second bag ) in the top-left side of the shelf and using in store promotion sign “ SALE ” to investigate how customer respond with a store promotion.

**Table 4.8 The summary of the observe variable of placing the key product in the top-left side of the shelf and using in store promotion sign “ SALE ” including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>27</b>
Number of customer who touch the key product.	<b>18</b>
Number of customer who purchase the key product.	<b>3</b>
Estimate time spending in the shelf per person	<b>2.1 minute</b>

When placing a “Sale” sign with the product , many customer gave more interest to visit the shelf and definitely more than a half of visited customer touch the sale product and see how much the product discount. In the test we gave a 30% discount for this product so the price is reasonable. Some customer use long time to find other discount product and some use very short time to buy the discount one to avoid solding out.

**4.2.2 P2-2**, Placing the key product (Aurore kitchen second bag) in the top-left side of the shelf and using in store promotion sign “ NEW ” to investigate how customer respond with a store promotion.

**Table 4.9 The summary of the observe variable of placing the key product in the top-left side of the shelf and using in store promotion sign “ NEW ” including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>17</b>
Number of customer who touch the key product.	<b>5</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>1.2 minute</b>

There are some customer come to visit the shelf when placing “NEW” sign. It’s significantly customer gave little interest with “NEW” sign. They just come to see other product category without an interest of the sign or the key product.

**4.2.3 P2-3**, Placing the key product (Aurore kitchen second bag ) in the top-left side of the shelf and using in store promotion sign “ HOT ” to investigate how customer respond with a store promotion.

**Table 4.10** The summary of the observe variable of placing the key product in the top-left side of the shelf and using in store promotion sign “ HOT ” including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person.

Variable	Number
Number of visited customer	12
Number of customer who touch the key product.	5
Number of customer who purchase the key product.	1
Estimate time spending in the shelf per person	1.3 minute

“HOT” sign is placing along with the product to express that the product is bestseller. Some customer visited the shelf a touch the key product and making a decision by comparing with the same product category. One family come to see the key product and talk about the “NEW” sign and uses it as a key decision to purchase it.

**4.3 P3: Shelf decoration (Colorful wallpaper, placing cartoon character) is positively related with customer attention.**

**4.3.1 P3-1**, Placing the key product (Aurore kitchen second bag ) in the top - left side of the shelf and using additional shelf decoration both colorful wallpaper and cartoon character on the shelf and investigate how customer are attracted by the decoration.

**Table 4.11 The summary of the observe variable of placing the key product in the top-left side of the shelf and using additional shelf decoration both colorful wallpaper and cartoon character on the shelf including number of visited customer, number of customer who touch the key product, number of customer who purchase the key product and estimate time spending in the shelf per person**

<b>Variable</b>	<b>Number</b>
Number of visited customer	<b>23</b>
Number of customer who touch the key product.	<b>2</b>
Number of customer who purchase the key product.	<b>0</b>
Estimate time spending in the shelf per person	<b>1.1 minute</b>

When redecorate the shelf by adding Oohlala cartoon character and colorful trail product. Most of the customer pays more attention to visited because this decoration can attract customers from the entrance and directly come to see the shelf. This kind of tool can attract customer to visit and gave opportunity to sell the product itself.

## Conclusion

**Table 4.12 The summary of observed method in each shelf position**

	P1-1	P1-2
Number of visited	16	14
Customer touch product	7	5
Customer purchase product	1	0
Estimated time spending	1.24	1.06
	P1-3	P1-4
Number of visited	22	8
Customer touch product	3	2
Customer purchase product	0	1
Estimated time spending	2	3.2
	P1-5	P1-6
Number of visited	16	19
Customer touch product	0	1
Customer purchase product	0	0
Estimated time spending	1.07	1.8

P1-1 is the best shelf position because it can attract customer to visit the shelf and importantly both position got the highest number of customer who touching the key product and buy a key product. Importantly the finding is consistent with the previous research that people normally see the thing from left side to right side and upper to lower level so the top-left side position has been seen first and gain attention the most. (Dreze,Hoch and Purk , 1994).

## CHAPTER V

### CONCLUSION

These chapters inform the general result and findings of the thematic paper with a significant implication and suggestion for future research. This Thematic also summarize the setting hypothesis and the limitations of thematic, which may limit broadly.

#### 5.1 Conclusion

After collected the data from experimental and customer interviews. There are correlative relationships between in shelf visual merchandising and customer attention for the brand. The major finding indicated that in store visual merchandising effect customer attraction when they entering to the store especially when combine the suitable shelf position, in store promotion and shelf decoration. The finding implies that most of the customer tends to make a purchase when the brand using “sale” sign as customer generally impulse by the store environmental stimulation which are in store promotion and visual merchandising. It confirmed Afr.J business researches in chapter two that environmental stimulation in accelerates customer-buying process.

The best shelf position which can gain customer attention are on the left side of the eye level shelf position and left side of the touch level shelf position because it can see clearly as they are on the eye sight position. Moreover the left side normally be the first shot or first image in customer eye because human normally see the thing from left to right as writing and reading style of Thai people is from left to right.

However the results from the data analysis show surprising that each business has different factor to concern in setting a shelf. If the product is a cartoon stationary, the shelf should express as the funny or cartoon theme to attract customer but if business which wants to be more prestige brand image or want to make the

brand more reliable and professional in some area. Shelf has to set in luxury or more detail in acknowledge customer about the product benefit or history of the brand. Moreover the changes in product position effect the trend in which customers seek for certain product with the limit time to impulse their attention. After survey, it concluded that firstly high price product or the product that company wants to promote should be place in the eye-level or touch level. Secondly promotional sign can attract customer to visit the shelf more than shelf without any promotional signal. Moreover “sale” sign is the most attractive tool to gain customer attention. Lastly shelf decoration is need to impulse and to gain customer attention. For Oohlala brand, placing cartoon character on the shelf is important. In addition, colorful wallpaper and acrylic stand can make shelf to be more attractive.

## **5.2 Recommendations**

The research finding of visual merchandising’s factors that has an significantly important for the business-selling product in the retail store as the following;

- In store promotion is the most important variable in in-store environment. It can significantly influence consumer’s store making decisions. For “sale” sign, it is better to specific the discount percentage. It should be changed to be twenty percent discount or some number. For “Hot” sign, it should be change to be “Best seller” to make it more attraction or to make positive perception toward the key product than using “Hot”. Moreover design layout, cleanliness and lighting are also concerned.

- Defected product on the shelf, dirty stand and dust will make a bad perception toward customers so brand staff should check and make it clean all the time.

- Trial product can solve the problem of defected product causing by customers. Brand should provide sampling for all items. Moreover mannequin is needed for Oohlala shelf because most of the product is bag categories, which can enhance customer imagination toward product and accelerate customer impulse buying process.

- When shelf location is not in the main area, brand should be using big



cartoon character or something that make customer can see from everywhere in the store such as cartoon balloon, cartoon poster or cartoon billboard which can attract customers to visit.

### **5.3 Limitation**

- Only 10 interviewees have been done which has age range about 25-30 years.
- The flow of customer in the store affects the shelf position topic.
- Shelf space differ in each area so when research about oohlala shelf area, it may be not have a same result when making an observation in some period of time.
- Limit time in making experiment and the time can effect by other factor such as seasonal event, weekday and weekend and off work period.

### **5.4 Further research**

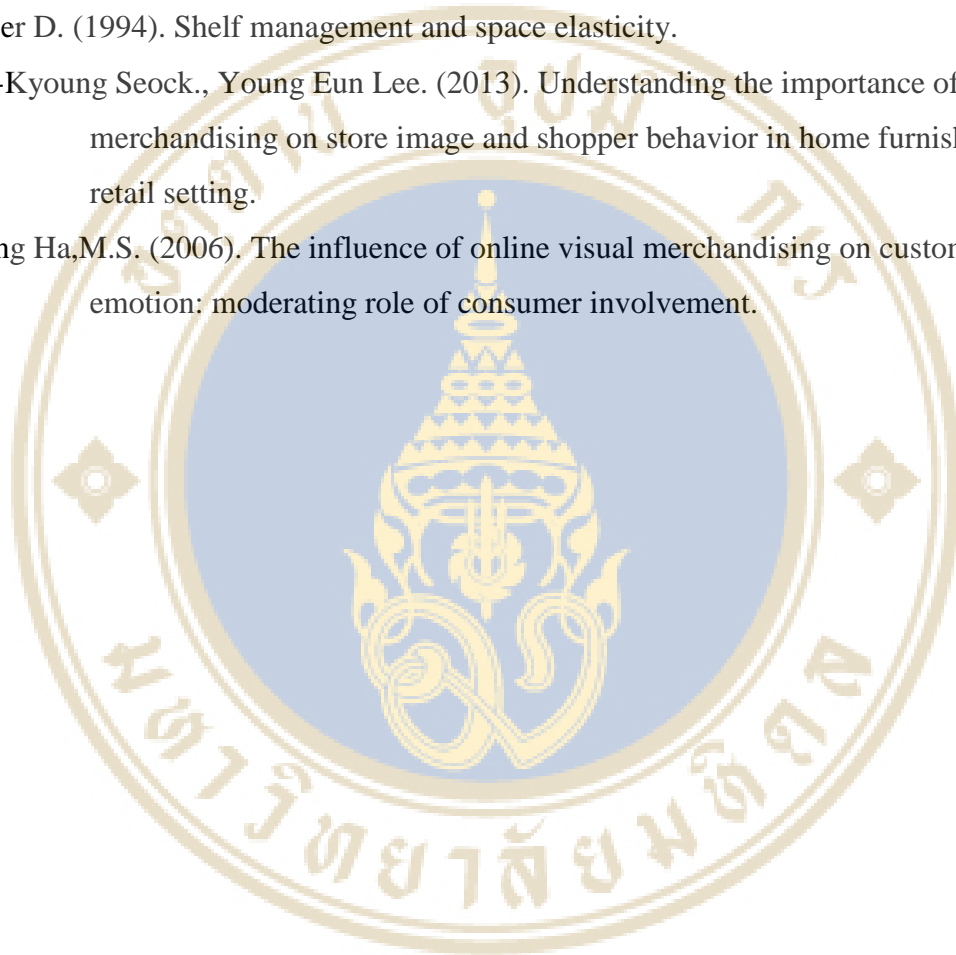
This Thematic emphasizes the need of future researchers who want to study the impact of visual merchandising on customer attention to pay more attention on this field. This research was noted that this study is focus on distributing product to Thailand in shelf retail store and factor on the shelf display. It did not examine other factors that affect customer-purchasing process.

Moreover this research is limited to only the influences of in store decoration and in store promotion as well as internal and external impulse buying factors so future research can use this research as the reference on other research which may be have different in business environment or retail condition.

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## APPENDIX A: SURVEY QUESTION

Factor	Question	References
In shelf product position factors.	1. What is a good shelf in your aspect?	Jay Diamond and Ellen Diamond (2007)
	2. What is the benefit of having good shelf?	Derry Law &Christina ong (2009)
	3. How can product type shorten your information search process?	Derry Law &Christina ong (2009)
In store signal and promotion.	4. What do you think about the shelf, which has a “New”, “Hot”, “Sale” sign?	Youn,s & Faber,R.J (2000) Clark.D.(2007)
	5. Which one would buy and which one is the most attract? Why?	Rook.D.W.&Fisher,RJ (1995)
Shelf decoration factor	6. What is the best shelf decoration to make the shelf to be more attractive?	Gopal V, 2006, Bhalla & Anurag, 2010
	7. Did you visit OOhlala shelf? What is the first thing that you have seen?	Vezotolu (2011)
	8. What is the most attractive spot in the shelf and why?	Laurent HUBRECHTS (2012)
	9. How to improve the shelf to be more attractive?	Beyhan KOKTURK (2012)

1 How is a good shelf in your aspect?

.....

2. How is the benefit of having good shelf?

.....

3. In this question, we will give an interviewee to see two pictures for 5 second per Paper and ask them what are the three alphabets that they can remember.  
(Paper size is approximate 1 meter)



CDSE  
LOFZ  
VQUN  
KBPW

QESF  
PDYX  
NIKB  
OFLZ

4. How do you think about the shelf which has a (New) , ( Hot ) and ( Sale) sign with? And what are the meaning of these three in your perception?

.....

5. Which one would buy or attract the most? Why?

.....

...



6. How is the best shelf decoration to make the shelf to be more attractive?

.....

7. Did you visit Oohlala shelf, what is the first thing that you have seen?

.....

8. What is the most attractive spot in the shelf and why?

.....

9. How to improve the shelf to be more attractive?

.....

## **APPENDIX B:** Interviewee Mr. VINIJ PICHITSURAKIJ

1 How is a good shelf in your aspect?

Good shelf should communicate with the customer because there are no PC or sales person in some shelf so good shelf should be express clearly about the brand and distinguish from other competitors.

2. How is the benefit of having good shelf?

Good shelf directly promotes the in-shelf promotion or new product to the customers and can show the product detail that will help customer quickly makes purchasing decision. In addition good shelf can attract customer who are passing by to visit. As the result, brand will gain more customer awareness and higher sales.

4. How do you think about the shelf which has a (New), (Hot) and (Sale) sign with? And what are the meanings of these three in your perception?

There are significantly different in the meaning of these three sign. “Sale” means a discount product that is the most preferred by customers. As Oohlala brand product’s price is quite high so “Sale” can dramatically attract customers. For “New” means new product. The customer who gets attraction for this sign is the existing customer who always looks for update product. For “Hot” sign, it’s good customer to make sure that it’s a bestseller product.

5. Which one would buy or attract the most? Why?

“Sale” and “hot” sign can attract me the most because price decrease than the original price.

6. How is the best shelf decoration to make the shelf to be more attractive?

Basically there is some lighting in the shelf as lighting can distinguish shelf when all shelf are located in the same place. Color and store promotion are also important.



7. Did you visit Oohlala shelf, what is the first thing that you have seen?

I always visited the brand and cartoon character.

8. What is the most attractive spot in the shelf and why?

A first level of the shelf that has colorful color which attracted me the most.

9. How to improve the shelf to be more attractive?

Using decorating to the shelf to enhance brand image. As oohlala brand has cartoon character so adding some cartoon is necessary. Also providing the sample for customer to try and to avoid product defect.



## APPENDIX C: Interviewee Mr. KRIENGKAI

1. How is a good shelf in your aspect?

Good shelf should has one or two item in each shelf

Once customer visit to Oohlala shelf and product are arrange in a category or related categories to make customer purchase product more.

2. How is the benefit of having good shelf?

The first thing is that it should draw attention from customers as the shelf is pretty, I wil go to visit and take a look the product.

4. How do you think about the shelf which has a (new) , ( Hot ) and ( Sale) sign with? And what are the meanings of these three in your perception?

For “Hot “ sign means the product that is trendy in this period. For “New” means the new comer and may be trendy soon. For “sale” means discount product. “Sale” can make a negative meaning as the defect or not trendy anymore.

5. Which one would buy or attract the most? Why?.

“Hot” sign can attract me the most because Hot means popular. Most of people prefer to be trendy or want to get attention as using newest product.

6. How is the best shelf decoration to make the shelf to be more attractive?

Oohlala has the brand character so using cartoon, as the decoration is good.

8. What is the most attractive spot in the shelf and why?

Cartoon character on the notebook is the first thing that I have seen because the size is quite big and can see easily.

9. How to improve the shelf to be more attractive?

Oohlala shelf is quite messy so it's hard for customer to find the product. So I recommend rearranging the product.

