

Enhancing Sales and Customer Experience at Jewellery Showroom through Visual Merchandising

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ABSTRACT

This study explores the impact of Visual Merchandising on customer experience and purchasing decisions, with a focus on retail jewellery showrooms. It examines various merchandising techniques, including window displays, themes, signage, ambiance, and colour coordination. The objectives of this research are to analyze whether elements of Visual Merchandising influence buying process for jewellery, to identify the ease of jewellery displayed in showrooms has any effect on customer purchasing decision, and to analyze whether elements of Visual Merchandising influence buying process for jewellery. The research was descriptive in nature which was followed by exploratory research. The researcher did secondary research by incorporating literature review in seventeen journal articles, six book and two trade publications. A structured questionnaire was prepared by the researcher. 47 responses were collected from respondents who came to the jewellery store. The respondents were from Mumbai Metropolitan Region (MMR). The data was analyzed using SPSS. The study indicates elements of Visual Merchandising does not influence the buying process for jewellery. There is no significant difference in the mean ratings given by customer segments on jewellery showrooms using displays. There is no relationship between jewelry showrooms using displays to target customer segment. Age has no effect on mean ratings of colour coordination.

Keywords: *Visual Merchandising, Customer behaviour, Attractive displays, Buying process, Customer segments, Jewellery*

INTRODUCTION

Visual merchandising plays a crucial role in retail strategy by combining art, psychology, and business principles to shape customer behavior and increase sales. The aim is to enhance the appeal of the products and lead customers through the store in a manner that optimizes their engagement with the merchandise. This overview delves into the key elements and significance of visual merchandising, emphasizing how it shapes customer behavior and enhances the shopping experience.

This research investigates how visual merchandising can be utilized to enhance both sales performance and the overall customer experience within jewellery showrooms.

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The study is guided by three primary objectives. First, it seeks to analyze how specific elements of visual merchandising—such as colour coordination, window display, themes, and ambience—affect the jewellery buying process. Second, the research aims to identify whether the organization and presentation of jewellery within showrooms influence the ease with which customers make their purchasing decision. Finally, the study explores how jewellery showrooms use visual displays to target different customer segments, examining the effectiveness of these strategies in catering to varied customer preferences.

By addressing these objectives, the research aims to provide jewellery retailers with valuable insights into optimizing their visual merchandising practices. This will help them create more compelling shopping environments, improve customer engagement, and ultimately drive sales growth.

LITERATURE REVIEW

(Tesfaye, Feb 2022) In this study Tesfaye's findings were to evaluate the impact of visual merchandising on impulsive buying behavior. As the retail sector faces intensified competition and challenges in today's fast-paced environment, retailers strive to enhance profitability through increased sales. To achieve this, visual merchandising is employed as a strategy to capture customer attention and boost sales. This technique involves visually enhancing the brand and emphasizing the store's unique attributes.

The research focuses on six key elements of visual merchandising: store layout, window displays, mannequins, promotional signage, pricing, and lighting. It examines how these factors affect impulsive buying behavior. Data for this study were gathered through a questionnaire administered to customers in the mall located in Bole Sub City. A simple random sampling method was used to ensure representative responses, and a structured questionnaire was developed for this purpose. A total of 116 responses were collected, providing authentic feedback.

The study includes an analysis of demographic profiles, descriptive statistics, and inferential statistics, such as correlation and regression analysis. The findings indicate that the visual merchandising elements significantly influence impulsive buying behavior. Based on these results, it is recommended that retail managers invest in enhancing the store environment to stimulate higher levels of impulse purchases.

(Arshdeep Kaur, 2016) (Awais, 2022) In this article, Arshdeep Kaur and Awais discusses visual merchandising as a strategy to communicate a store's design and image to customers. This approach enhances the store's reputation, boosts customer loyalty, and influences buying behaviors by showcasing clothing and accessories. Visual merchandising encompasses various display types, including window and interior displays, signage, and branding elements. The article defines customer

behavior as the study of how individuals or groups select, purchase, use, or dispose of products to meet their needs and desires. Impulse buying occurs when customers make spontaneous and emotional purchases without careful consideration of necessity or cost. Recent research highlights that impulsive buying behavior is influenced by both internal states and external cues, with visual merchandising playing a significant role. Awais's study further underscores the importance of strategic store layout and design in shaping customer preferences and suggests that successful businesses attract and retain customers by investing in effective marketing and store aesthetics.

(Quantzig, 2019) (McKinley, 2003) Quantzig and McKinley have highlighted the significance of store design, window displays, and educational product setups in boosting product appeal, sales, and customer engagement. With over 120 clients, including 45 Fortune 500 companies, Quantzig underscores visual merchandising's crucial role in financial services retail. They recommend a six-stage approach, focusing on research, accommodating busy customers, designing for customer needs, and creating inviting shopping environments. The article notes the increasing importance of visual merchandising in the financial services sector.

(Tom Page, 2012) (Batra, 2016) Tom Page and Batra S. have stated in their paper that how colour theories affect product success and customer preferences, especially in interior design. It reveals how age and gender shape colour tastes and explores the link between colours, emotions, and product types. The study of 100 Indian participants identifies sincerity, enthusiasm, sophistication, and ruggedness as key brand personality traits associated with colours, underscoring the need for colour psychology in marketing.

(Alireza Karbasivar, 2011) The layout of the in-store shopping environment and window display have a major role in influencing customers' buying choices. Customers' selection of a store is influenced by its physical appeal, which is usually produced at the façade level. In order to draw in customers and draw passersby, retailers are putting more and more emphasis on their window displays, making them attractive to customers. Impulsive buying is also significantly influenced by the in-store environment, which is defined by elements such as background music, displays, scents, promotions, prices, cleanliness, density, and staff.

(Widyastuti, 1945) (Ahmad, 2004) The study of Widyastuti and Ahmad investigates the elements driving impulse purchases in Indonesian retail settings, with a focus on visual merchandising, store atmosphere, and private label products. Findings indicate that affordable prices, unique packaging, an attractive store environment, and effective visual merchandising are key factors in encouraging impulsive buying. The research seeks to understand customer-influencing tactics and the role of visual merchandising in increasing sales and improving brand reputation.

OBJECTIVES OF THE STUDY

- To identify the ease of jewellery displayed in showrooms has any effect on customer purchasing decision.
- To analyze whether elements of Visual Merchandising influence buying process for jewellery

HYPOTHESES

H₀1: There is no significant difference in the mean ratings given by customer segments on jewellery showrooms using displays

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H₀2: Age has no effect on mean ratings of elements (colour coordination, window displays, themes, signage and ambience) of Visual Merchandising.

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RESEARCH METHODOLOGY

The research project "Enhancing Sales and Customer Experience at a Jewelry Showroom through Visual Merchandising" employs descriptive research followed by exploratory research, combining literature review with customer surveys. It examines effective visual merchandising practices in retail jewelry businesses by analyzing academic journals, industry publications, and books. Secondary data collection was done with 25 research papers (seventeen journal articles, six books and two trade publications) from EBSCO as well as Google Scholar. Exploratory research was done through quantitative data analysis mentioned below. The sampling frame used was jewellery showrooms and the sampling unit were customers who bought jewellery from the showroom.

The sample size was of 47 respondents who had just purchased jewellery from the showroom and the area of study was Mumbai Metropolitan Region (MMR). Data collection instrument used was structured questionnaire prepared by the researcher. Simple random sampling technique was used. Data analysis is done through SPSS software and ANOVA, Chi-square tests have been conducted.

DATA ANALYSIS

Data collection includes in-person surveys. Data analysis involves quantitative statistical analysis using SPSS software.

Hypothesis 1

H₀: There is no significant difference in the mean ratings given by customer segments on jewellery showrooms using displays

H₁: There is significant difference in the mean ratings given by customer segments on jewellery showrooms using displays

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.814	2	1.407	1.155	.325
Within Groups	53.612	44	1.218		
Total	56.426	46			

If the P-value is lesser than 0.05, we reject the null hypothesis. But here P-value is 0.325, which is greater than 0.05.

Therefore we reject the null hypothesis.

There is no significant difference in the mean ratings given by customer segments on jewellery showrooms using displays.

Hypothesis 2

H₀2: Age has no effect on mean ratings of elements (colour coordination, window displays, themes, signage and ambience) of Visual Merchandising.

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ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Kindly rate the element of colour coordination which you find most appealing/important in your decision-making process when browsing for jewelry.	Between Groups	4.305	3	1.435	1.820	.158
	Within Groups	33.908	43	.789		
	Total	38.213	46			
Kindly rate the element of window displays which you find most appealing/important in your decision-making process when browsing for	Between Groups	2.503	3	.834	.690	.563
	Within Groups	51.966	43	1.209		

jewelry.	Total	54.468	46			
		Sum of Squares	df	Mean Square	F	Sig.
Kindly rate the element of themes which you find most appealing/important in your decision-making process when browsing for jewelry.	Between Groups	4.695	3	1.565	1.672	.187
	Within Groups	40.241	43	.936		
	Total	44.936	46			
Kindly rate the element of signage which you find most appealing/important in your decision-making process when browsing for jewelry.	Between Groups	1.929	3	.643	.561	.644
	Within Groups	49.305	43	1.147		
	Total	51.234	46			
Kindly rate the element of ambiance which you find most appealing/important in your decision-making process when browsing for jewelry.	Between Groups	2.150	3	.717	.456	.714
	Within Groups	67.552	43	1.571		
	Total	69.702	46			

If the P-value is lesser than 0.05, we reject the null hypothesis.

But here P-value is greater than 0.05.

Therefore we do not reject the null hypothesis.

Age has no effect on mean ratings of elements (colour coordination, window displays, themes, signage and ambiance) of Visual Merchandising.

RESULTS

According to the research, aspects of visual merchandising, such as window displays, colour coordination, themes, and signage, do not strongly affect how customers decide to buy jewellery. This suggests that customers might prioritize other factors, like pricing, brand reputation, or product quality, rather than the visual appeal of the showroom.

The findings reveal that various customer segments (such as those defined by income, gender, or lifestyle) do not significantly differ in their opinions of the visual displays in jewellery showrooms. The average ratings from these segments are relatively similar, indicating that visual merchandising does not have a differentiated appeal across these groups.

The research also found that age does not significantly influence customers' ratings of the colour coordination, window displays, themes, signage and ambiance in jewellery displays. This means that preferences for colour schemes are consistent across different age groups, and no particular age group has a notably different perception of the colour coordination, window displays, themes, signage and ambiance.

The study suggests that visual displays in jewellery showrooms do not effectively target or attract specific customer segments. This implies that despite investments in visual merchandising aimed at appealing to certain demographics, the strategy may not be achieving its intended goals.

CONCLUSIONS

- Attractive displays of jewellery as a part of Visual Merchandising is independent of customer segments. Therefore, there should be no age group which jewellers should target for attractive displays in jewellery showrooms.
- Since there is no effect of mean ratings for all elements of Visual Merchandising (colour coordination, window displays, themes, signage and ambience) we can conclude that there is no specific element of Visual Merchandising which we can segregate and we need to concentrate on all elements of Visual Merchandising.

RECOMMENDATIONS

- Jewellery showrooms should display attractive jewellery's related to all customer segments (age groups).
- All six elements (colour coordination, window displays, themes, signage and ambience) needs to be done effectively to influence buying process for jewellery

LIMITATIONS OF THE RESEARCH

The limitations of Research were:

1. The research was conducted in the Mumbai Metropolitan region (MMR). Further research can be conducted across Metros or all India.
2. Time constraint was a major limitation as this research was done for a timespan of two months.
3. The research was self-funded by the researchers.
4. Sample size is a constraint because of time constraint for study.

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ANNEXURE

1. Gender *

2. Age*

(a) 15- 25 (b) 26-35 (c) 36-45 (d) 46-55 (e) Above 55

3. In your opinion, how does the overall aesthetic and design of a showroom contribute to creating a positive shopping experience? *

- (a) Creates a luxurious and inviting atmosphere
- (b) Makes it easier to find what I'm looking for
- (c) Doesn't affect my shopping experience

4. Kindly rate each of the below elements that you find most appealing/important in your decision- making process when browsing for jewelry, the elements of visual merchandising (e.g., color psychology, window displays, themes, signage) do

- (a) Color coordination
- (b) Window displays
- (c) Themes
- (d) Signage
- (e) Ambiance

Unimportant	Marginal	Considerable	Crucial	Indispensable
1	2	3	4	5

5. Please rate the statement on a scale of 1 to 5

The overall layout of the jewelry store influences shopping experience.

Unimportant	Marginal	Considerable	Crucial	Indispensable
1	2	3	4	5

6. In your past experiences, how easy was it to see individual pieces of jewelry in most showrooms? *

- (a) Very easy - all pieces were clearly displayed
- (b) Somewhat easy - some pieces were difficult to see
- (c) Difficult - many pieces were obscured or poorly lit

7. In your past experiences, how often did the staff in jewelry showrooms seem knowledgeable and able

to answer questions about the jewelry based on the displays? *

- (a) Frequently - the staff readily offered information based on the displays
- (b) Occasionally - the staff wasn't always proactive in using the displays to assist customers
- (c) Rarely - the staff didn't seem to use the displays to guide customers

8. Based on your past visits, did jewelry showroom displays ever inspire you to consider new styles or pieces you might not have noticed otherwise? *

- (a) Often - the displays sparked my interest in new designs
- (b) Sometimes - the displays mainly showcased familiar styles
- (c) Rarely - the displays didn't offer anything particularly new

9. How likely are you to make an unplanned purchase when you see an attractive display?

Unimportant	Marginal	Considerable	Crucial	Indispensable
1	2	3	4	5

10. How often did jewelry showroom displays create a sense of occasion or tell a story about the jewelry (e.g., wedding sets, every day wear)? *

- (a) Frequently - the displays helped me understand the jewellery's purpose
- (b) Occasionally - the purpose of the jewellery wasn't always clear from the displays
- (c) Rarely - the displays seemed random and lacked clear themes

11. In your past experiences, which type of jewelry display typically appealed to you the most? (Select all that apply) *

- (a) Clean and minimalist displays with a focus on individual pieces
- (b) Themed displays that create a specific mood or story
- (c) Technological elements like digital screens showcasing product details

12. How often did you find jewelry showrooms using displays to specifically target different customer segments (e.g., age groups, budgets)? *

- (a) Frequently - the displays catered to various tastes and budgets
- (b) Occasionally - the displays seemed aimed at a general audience
- (c) Rarely - the displays didn't seem targeted to any specific customer group

